EXHIBIT EE

(Indictment)

Approved: [signature]
JENNIFER E. BURNS/JASON A. MASIMORE
Assistant United States Attorneys

Before: HONORABLE HENRY B. PITMAN
United States Magistrate Judge
Southern District of New York

13 MAG 0828

UNITED STATES OF AMERICA - v. - ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, Defendants.	SEALED COMPLAINT Violations of 18 U.S.C. §§ 371, 1951 COUNTY OF OFFENSE: NEW YORK

STATE OF NEW YORK) ss:
SOUTHERN DISTRICT OF NEW YORK)

THOMAS ZUKAUSKAS, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation, and charges as follows:

COUNT ONE

(Conspiracy to Commit Securities Fraud)

1. From at least in or about 2012, up to and including on or about March 27, 2013, in the Southern District of New York and elsewhere, ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit offenses against the United States, to wit, securities fraud in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

Object

2. It was a part and an object of the conspiracy that ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and others known and unknown, willfully and knowingly, directly and indirectly, by the use of means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, would and did use and employ, in connection with the purchase and sale of securities, manipulative and deceptive devices and contrivances in contravention of Title 17, Code of Federal Regulations, Sections 240.10b-5, by: (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon purchasers and sellers, all in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

Overt Acts

3. In furtherance of the conspiracy and to effect the illegal object thereof, ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. On or about July 19, 2012, at approximately 8:00 p.m., a co-conspirator not named as a defendant herein ("CC-1"), while in New York, New York, as set forth herein, placed a call to GOLDSHMIDT, during which call GOLDSHMIDT and CC-1 discussed the unlawful promotion of a stock.

b. On or about September 20, 2012, at approximately 4:52 p.m., as set forth herein, PUZAITZER placed a call to EFIM AKSANOV, the defendant, during which call PUZAITZER and AKSANOV discussed an unlawful stock market manipulation.

c. On or about August 31, 2012, at approximately 3:18 p.m., as set forth herein, GOLDSHMIDT placed a call to PAUL ORENA, the defendant, during which call GOLDSHMIDT and ORENA discussed trading occurring as part of an unlawful stock promotion.

d. On or about February 26, 2013, at approximately 3:44 p.m., as set forth herein, PUZAITZER received a call from MICHAEL VAX, the defendant, during which they discussed an unlawful market manipulation scheme.

e. On or about September 25, 2012, at approximately 10:14 a.m., as set forth herein, AKSANOV placed a call to STEVE KOIFMAN, the defendant, during which they discussed trading patterns as part of an unlawful market manipulation scheme.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Conspiracy to Commit Extortion)

4. From at least in or about February 2012, up to and including on or about March 27, 2013, in the Southern District of New York and elsewhere, ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and others known and unknown, willfully and knowingly combined, conspired, confederated, and agreed together and with each other to commit extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2), by obtaining money and property from and with the consent of another person, to wit, CC-1, which consent would have been and was induced by the wrongful use of actual and threatened force, violence, and fear, and thereby would have obstructed, delayed, and affected commerce and the movement of articles and commodities in commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), to wit, GOLDSHMIDT, PUZAITZER, VAX, ORENA, GROSSMAN, AKSANOV, and KOIFMAN attempted to collect money and shares of publicly traded stock from CC-1 through the threat of force.

(Title 18, United States Code, Section 1951.)

The bases for my knowledge of the foregoing charges are, in part, as follows:

5. I have been a Special Agent with the FBI since May 2006. Since July of 2011, I have been assigned to Squad C-24, which is the Eurasian Organized Crime Task Force ("EOCTF"). Prior to July 2011, I was assigned to Squad C-1, the Securities

Fraud squad. As a Special Agent, I have conducted investigations into federal crimes relating to wire fraud, mail fraud, and securities fraud, among other things. During that time, I also have conducted or participated in surveillance, the execution of search warrants, debriefings of informants, and have participated in investigations that included the interception of wire and electronic communications. Through my training, education and experience, I have become familiar with market manipulation as it relates to securities fraud, including "pump and dump" schemes. I have been personally involved in the investigation of this matter. This affidavit is based upon my own knowledge, my conversations with other individuals, including other law enforcement agents, and my examination of reports and records. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated. Moreover, where I refer to the contents of previously recorded conversations (e.g., wiretap interceptions), my quotations and descriptions are based on preliminary draft transcripts and/or translations of those conversations and are reported in substance and in part.

Relevant Persons

6. At all times relevant to this Complaint, ALEXANDER GOLDSHMIDT, the defendant, was a partner of ALEX PUZAITZER, the defendant, and others in the promotion, purchase and sale of securities, and controlled and directed Dolton Consulting Services, Inc. ("Dolton"), including its purchase and sale of securities, and was one of the signatories on Dolton's bank accounts. Judicially authorized wiretap interceptions have revealed that GOLDSHMIDT, together with others known and unknown, participated in a "pump and dump" market manipulation scheme in which they worked to fraudulently inflate the prices and trading volumes of publicly traded stock of small cap companies in the small cap stock market, also known as "penny stocks," and then to sell shares of the stock at fraudulently inflated prices to the investing public for a profit.

7. At all times relevant to this Complaint, ALEX PUZAITZER, the defendant, was a partner of ALEXANDER GOLDSHMIDT, the defendant, and others known and unknown in the promotion, purchase and sale of securities. Judicially authorized wiretap interceptions have revealed that PUZAITZER, together with others

known and unknown, participated in a "pump and dump" market manipulation scheme in which they worked to fraudulently inflate the prices and trading volumes of publicly traded stock of small cap companies in the small cap stock market, also known as "penny stocks," and then to sell shares of the stock at fraudulently inflated prices to the investing public for a profit.

8. At all times relevant to this Complaint, YITZ GROSSMAN, the defendant, was engaged in a $10,000 per month "consulting agreement" with Face Up Entertainment Group, Inc. ("FUEG") pursuant to which GROSSMAN was retained as a consultant to advise FUEG on "corporate development" and introduce FUEG to "some of [GROSSMAN's] contacts which may have an interest in investing in" FUEG. GROSSMAN is believed to have used GROSSMAN's position as an insider with FUEG to assist with the market manipulation of FUEG stock. GROSSMAN is using or has used the promotional services of others known and unknown to artificially inflate the price of shares of FUEG. Judicially authorized wiretap interceptions have revealed that GROSSMAN, together with others known and unknown, participated in a "pump and dump" market manipulation scheme involving several stocks.

9. At all times relevant to this Complaint, PAUL ORENA, the defendant, is believed to have been an associate of ALEXANDER GOLDSHMIDT and ALEX PUZAITZER, the defendants, who worked with GOLDSHMIDT, PUZAITZER and YITZ GROSSMAN, the defendant, as a promoter to artificially inflate the stock price of FUEG. ORENA coordinated the buying and selling of targeted stocks, including FUEG, to enhance artificial price increases by making them appear to the market as though there was increased interest in the stock. Judicially authorized wiretap interceptions have revealed that ORENA, together with others known and unknown, participated in a "pump and dump" market manipulation scheme involving several stocks.

10. At all times relevant to this Complaint, MICHAEL VAX, the defendant, is believed to have been a close associate of ALEXANDER GOLDSHMIDT and ALEX PUZAITZER, the defendants, who is working with GOLDSHMIDT, PUZAITZER, and PAUL ORENA, the defendant, in artificially inflating the stock price of FUEG and is involved in other stock schemes. VAX also worked on behalf of YITZ GROSSMAN, the defendant, in the extortion of CC-1.

11. At all times relevant to this Complaint, EFIM AKSANOV, the defendant, is believed to have been an associate of ALEXANDER GOLDSHMIDT, the defendant, who worked with ALEX PUZAITZER and YITZ GROSSMAN, the defendants, as a promoter to artificially inflate the stock price of FUEG. AKSANOV coordinated the buying and selling of targeted stocks, including FUEG, to enhance artificial price increases by making the stocks appear to the market as though there was interest in the stock. Judicially authorized wiretap interceptions have revealed that AKSANOV, together with others known and unknown, participated in a "pump and dump" market manipulation scheme involving several stocks.

12. At all times relevant to this Complaint, SYEVE KOIFMAN, the defendant, is believed to have been an associate of EFIM AKSANOV, the defendant, with whom KOIFMAN is working in artificially inflating the stock price of FUEG.

13. At all times relevant to this Complaint, a co-conspirator not named as a defendant herein ("CC-1"),[1] controlled and directed Marjorie Group, LLC ("Marjorie Group"), a company used to purchase and sell securities. CC-1's control included causing the purchase and sale of securities by Marjorie Group, and CC-1 was one of the signatories on Marjorie Group's bank accounts. Judicially authorized wiretap interceptions have revealed that CC-1, together with others known and unknown, participated in a "pump and dump" market manipulation scheme involving several stocks. As set forth below, CC-1 is the victim of the extortion conspiracy alleged in Count Two.

14. At all times relevant to this Complaint, a co-conspirator not named as a defendant herein ("CC-2") was a stock broker, acting as a President at a brokerage firm ("Brokerage-1") with offices in New York, New York and Brooklyn, New York. Judicially authorized wiretap interceptions have revealed that CC-2 assisted ALEXANDER GOLDSHMIDT, the defendant, and others in a "pump and dump" market manipulation scheme involving FUEG.

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[1] CC-1 has retained counsel and is providing information to law enforcement in the hope of receiving lenient treatment when CC-1 ultimately is charged and sentenced in connection with CC-1's participation in stock fraud schemes. Information provided by CC-1 has been corroborated through, among other things, surveillance and wiretap interceptions. Accordingly, I believe CC-1 to be a reliable source of information concerning the subject matters described herein.

15. At all times relevant to this Complaint, a co-conspirator not named as a defendant herein ("CC-3") is believed to have been an associate of CC-1 who coordinated the promotional campaign used in market manipulations for the purposes of generating interest in the companies and fraudulently inflating the prices and trading volumes of the companies' shares, and who was approached to promote FUEG.

Relevant Entities

16. At various times relevant to this Complaint, Face Up Entertainment Group, Inc. ("FUEG") was a corporation that purportedly was involved in the reality gaming social network market, such as providing an online poker platform, with its principal place of business located in Valley Stream, New York, and which was publicly traded under the stock symbol "FUEG."[2] FUEG traded on the Over the Counter Bulletin Board ("OTCBB"), a regulated quotation service operated by the Financial Industry Regulatory Authority, Inc. ("FINRA") and OTCQB, a marketplace operated by OTC Markets Group, Inc. The OTCBB shows real-time quotes and trading volume information for securities not listed on a national securities exchange. Public companies quoted on the OTCBB and OTCQB, including FUEG, are subject to periodic filing requirements with the Securities and Exchange Commission ("SEC") and other regulatory authorities.

17. At all times relevant to this Complaint, Marjorie Group, LLC ("Marjorie Group") was a private company controlled by CC-1, with its principal place of business in New York, New York. Marjorie Group was a vehicle through which CC-1 executed trades of securities and received proceeds.

18. At all times relevant to this Complaint, Dolton Consulting Services, Inc. ("Dolton") was a private company controlled by ALEXANDER GOLDSHMIDT, the defendant, which, at various times relevant to this Complaint, operated out of the same office space as Marjorie Group. Dolton was a vehicle through which CC-1, GOLDSHMIDT and others executed trades of securities. Bank records reveal that GOLDSHMIDT is the signatory on DOLTON's bank account.

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[2] On or about April 26, 2012, Face Up Entertainment Group, Inc., stock symbol IKCC, announced that effective April 27, 2012 it would change its ticker symbol from IKCC to FUEG.

"Pump and Dump" Stock Schemes

19. Based on my training and experience, including my experience investigating "pump and dump" cases, I am aware of the following:

a. Market manipulation schemes known as "pump and dump" schemes involve fraudulently inflating the price and trading volume of public company stocks and then selling those stocks at the fraudulently inflated prices to the investing public for a profit. There are generally three phases to a "pump and dump" scheme: (1) obtaining and concealing control of a significant portion of a publicly traded company's stock ("Phase 1"); (2) fraudulently inflating the price and trading volume of the company's stock through a variety of means ("Phase 2"); and (3) once the price of the stock has been fraudulently inflated, selling the stock at the fraudulently inflated price, thereby profiting at the expense of the investing public ("Phase 3").

b. During the Phase 1, the perpetrators of a "pump and dump" scheme typically obtain control over a substantial portion of the free trading shares of a publicly traded company. Generally, "free trading" shares are shares of stock that the shareholder can trade without restriction. After they have acquired control over a substantial portion of the company's free trading shares, the perpetrators are poised to profit from selling those shares as soon as the price and trading volume of the company's stock have been fraudulently inflated.

c. The perpetrators of a "pump and dump" scheme usually take steps to conceal from the investing public their control over a substantial portion of the company's free trading shares. Ordinarily, the perpetrators would have to disclose their control of the company's stock to the public, to comply with the rules and regulations requiring disclosure of the identities of all shareholders who own or control more than a certain percentage (usually five percent) of the company's stock. For that reason, among others, the perpetrators of "pump and dump" schemes often hide their control over the company's stock by purporting to transfer ownership of the shares to various nominee entities and individuals whom they, in fact, control. A nominee account is set up by a nominee (the registered owner) for administering securities or other assets held on behalf of the actual owner (the beneficial owner) under a custodial agreement. Accordingly, even if they do not hold the shares in their own names, the perpetrators maintain actual control over disposition of the shares through the nominees.

d. During Phase 2, the perpetrators fraudulently inflate the price and trading volume of the company's stock. The perpetrators typically use some or all of the following methods to generate interest in the company and fraudulently raise the price and trading volume of the company's stock:

i. The perpetrators buy shares of the company's stock on the open market shortly before launching a promotion campaign (a technique known as "priming the pump"), to raise the price of the stock and create the false appearance that there is an increased market demand for the stock.

ii. Using accounts that they control (either in their own or in the names of nominees), the perpetrators buy and sell the company's stock back and forth among themselves, often at increasingly higher prices (a technique known as "cross trading"), to create the false appearance that there is a high market demand for the stock.

iii. The perpetrators pay stock promoters and analysts to recommend the company's stock to the investing public. The promoters recommend the stock through a variety of methods, including mass mailings and emails, Internet chat rooms, television and Internet advertising, celebrity endorsements, "boiler room" operations and telemarketers, and other media outlets. The analysts, who often purport to offer independent and unbiased analysis of the company's stock to the investing public, tout the stock as underpriced, issue "buy" recommendations, and set unrealistically high target prices for the stock.

iv. The perpetrators, often including complicit officers at the company, issue false and misleading press releases to generate investor interest in the company's stock, including statements that exaggerate the nature and scope of the business activities and operations and misrepresent intentions to hire additional employees and develop new products.

e. During Phase 3, the perpetrators sell their shares of the company's stock in coordination to maximize their fraudulent profits from the scheme. This coordinated selling often causes the price of the stock to drop significantly, leaving investors who were deceived into buying the company's stock at the fraudulently inflated price holding shares worth substantially less than what the investors had paid for them.

f. The perpetrators of "pump and dump" schemes often target publicly traded companies whose stocks trade at low prices, often less than a dollar per share ("penny stocks"), because it is possible to purchase large numbers of shares for less money, which increases the potential to reap substantial profits, and because it is easier to manipulate the prices.

FUEG "Pump and Dump" Conspiracy

20. As set forth in more detail below, I have probable cause to believe that from at least in or about 2012, up to and including on or about March 27, 2013, ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and others known and unknown, conspired to defraud unsuspecting investors through a "pump and dump" market manipulation scheme involving FUEG stock.

21. Specifically, ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and others known and unknown, conspired (1) to control a large portion of the publicly traded shares of FUEG; (2) purchase and sell shares of FUEG back and forth between investment accounts they controlled, timed to occur in connection with the issuance of press releases and other promotional, potential market-moving events, in an effort to create the appearance of trading volume in the security and to artificially inflate the price of the security; and (3) sell the artificially inflated shares of FUEG to unsuspecting investors.

Phase 1 - Participants in the FUEG "pump and dump" Scheme Exercise Control Over FUEG Stock

22. Based on my training and experience, familiarity with this investigation, and review of the following intercepted communications, among others, I believe that, beginning at least as early as July 2012 and continuing into at least September 2012, ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV and STEVE KOIFMAN, the defendants, and others were involved in planning who would control shares of FUEG to execute the scheme:

a. On or about July 17, 2012, at approximately 7:36 p.m., CC-1 placed a call using a cellular telephone assigned a call number ending in 3772 ("CC-1 Phone-1")[3] to GOLDSHMIDT ("AG") at a cellular telephone assigned a call number ending in 1829 ("GOLDSHMIDT Phone-1"),[4] during which the following conversation took place, in substance and in part:

CC1: . . . How'd it go?

AG: It went, uh, at the end of it, it, uh, you know, it went ok. It was just, [unintelligible], uh, you know, because it started with, uh, that you spoke to them yesterday and you said that you were going to get the price up, so they told [GROSSMAN] that, you know, they gonna try to fix it, -and nothing happened again, and what the fuck, and what do we do? So I told them, I said listen we, we're dealing with this shit all day today . . . I said, you know, we're, you're making arrangements for [CC-3]. [CC-3]'s getting people to go so we'll have the schedule and who's going, and I said once we have that, we'll get the stock up tomorrow, day after whatever and uh, move on. You know, because that's why. . .

CC1: [OV] Yeah, well, "Number One" [PUZAITZER][5] told me a different story. He said don't do anything until we know.

AG: Don't do anything until we know what?

CC1: What the schedule is. He said he had a conversation with [AKSANOV].

AG: Listen to me, uh, you know, between me and you, I mean, you know, I don't want to put anybody on the spot. These conversations with [AKSANOV] go absolutely nowhere, because [AKSANOV] doesn't really know him.

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[3] CC-1 Phone-1 is a prepaid cellular telephone. Based on wiretap interceptions, I recognize the voice of CC-1 as that being used on CC-1 Phone-1.

[4] GOLDSHMIDT Phone-1 is a prepaid cellular telephone. Based on confidential source information, I learned that GOLDSHMIDT Phone-1 is a prepaid cellular telephone used by GOLDSHMIDT, which that source has used to communicate with GOLDSHMIDT. Information provided by the confidential source has been independently corroborated, and I believe the confidential source to be a reliable source of information about GOLDSHMIDT. Based on a review of information contained in the phone of CC-1 Phone-3, this number of GOLDSHMIDT Phone-1 was contained under the entry "Alex2."

[5] During a debriefing, CC-1 stated, in sum and substance, that CC-1 nicknamed PUZAITZER "One," and GOLDSHMIDT "Two."

CC1: Doesn't know who?

AG: He [AKSANOV] doesn't know, he doesn't know Alex [PUZAITZER].

CC1: Yeah, so then I gotta take my, who do I get direction from if Alex [PUZAITZER] tells me one more thing, and then, I don't, I don't get. . .

AG: I'm telling you that, you know, they entertain these conversations but they don't really know the guy. You understand what I'm saying?

CC1: Yeah.

AG: He said he spoke to you last night.

CC1: Correct.

AG: So after our conversation last night his last conversation with [GROSSMAN] was around one o'clock in the fucking morning, ok?

CC1: Yeah, but he spoke to Alex [PUZAITZER] afterwards.

AG: Not after he spoke to [GROSSMAN], I don't think so.

CC1: Are you sure, 'cause Alex [PUZAITZER] told me that we're not going to do it until we know that we have a date or something like that and that he told [AKSANOV]. Alright? So then what do we have to do?

AG: Ok, but if, if [CC-3]'s going out over this, over the weekend? Right?

CC1: I, when he gives me a schedule of the five days, I told him to go.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that GOLDSHMIDT and CC-1 were discussing FUEG stock. Specifically, GOLDSHMIDT's references to having a discussion with YITZ GROSSMAN, the defendant, about "get[ting] the price up" and "get[ting] the stock up" meant that he had been discussing with GROSSMAN how to inflate the share price of FUEG stock. When GOLDSHMIDT told CC-1 that GOLDSHMIDT had told

GROSSMAN that CC-3 was getting people together and they were determining "the schedule and who's going," GOLDSHMIDT was referring to CC-3, a stock promoter, preparing to purchase stock. CC-1's report to GOLDSHMIDT that when CC-3 gave CC-1 a "schedule of the five days," CC-1 had instructed CC-3 "to go," apparently meant that CC-1 authorized CC-3 to conduct an FUEG stock promotion or campaign targeting the investing public, in coordination with trades in FUEG stock by CC-1, GOLDSHMIDT and other participants in the "pump and dump" scheme, once they had determined the trading schedule (the "schedule") to follow in order to achieve the desired price.

Moreover, based on the following information, in part, I believe the discussion between CC-1 and GOLDSHMIDT about GROSSMAN described above reflects GROSSMAN's control over FUEG and FUEG stock, which GROSSMAN used to facilitate the FUEG "pump and dump" scheme:

i. Based on my review of the FUEG Form 10K for fiscal year 2011, which was publicly filed with the SEC, I am aware that two individuals served as directors and officers of FUEG during the relevant time period: (1) the President, CEO, CFO and one of the Directors ("FUEG Insider-1"); and (2) the Secretary and other FUEG Director ("FUEG Insider-2," together the "FUEG Insiders"). As reported in the FUEG 10K, FUEG Insider-2 is YITZ GROSSMAN's father-in-law, and, on February 22, 2011, FUEG entered into a $10,000 per month "consulting agreement" with GROSSMAN, pursuant to which GROSSMAN was retained as a consultant to advise FUEG on "corporate development" and introduce FUEG to "some of his contacts which may have an interest in investing in" FUEG. The FUEG 10K also states that in late 2011, FUEG issued demand notes totaling $206,000 to three entities purportedly controlled by GROSSMAN's wife, including one called Arevim, Inc., convertible on demand into shares of FUEG at $0.10 per share. Demand notes are loans with no fixed term or set duration of repayment, which can be recalled upon the lender's request, assuming the notice required, if any, by the provisions of the loan are met.

ii. On or about September 20, 2012, at approximately 4:52 p.m., EFIM AKSANOV (EA), the defendant, received a call using a cellular telephone assigned a call number ending in 5773 ("AKSANOV Phone-1")[6] from ALEX PUZAITZER ("AP") at a cellular telephone assigned a call number ending in 7722 ("PUZAITZER Phone-1")[7], during which the following conversation took place, in substance and in part:

EA: Well, listen, [ORENA] has already done something today, no?

AP: No. What do you mean?

EA: Today...

AP: [OV][8] [ORENA] bought...

EA: [OV] I understand...

AP: [ORENA] bought today - yes, he bought, but eighty - he had bought it all. There were 7[UI] sales on the market, and at 8/100 the bid was triggered. This was when I spoke to him - this was - uh - I was driving from the dentist's office - it was 3 o'clock. So, I...

EA: [OV] Tell me - tell me one - what - what is your relationship with [ORENA]? He thinks that he is going to do these deals with that - with [GROSSMAN], that [ORENA] will make money with him?

AP: I have no idea what he thinks. With [ORENA] I signed for 33% of his share. Ok? And he asked me to help out and guaranteed there'd be no headache for me. I say: "[ORENA], you are responsible for everything, so [GROSSMAN] [UI] doesn't call my guys." He says: "Alex [PUZAITZER], no question"...

EA: [OV] He - he is not letting me breathe, he calls me every day.

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[6] Based on a review of information provided by T-Mobile, I have learned that AKSANOV Phone-1 is subscribed in the name of ASKSANOV.

[7] From records provided by AT&T, I am aware that PUZAITZER Phone-1 was subscribed to in the name of ALEX PUZAITZER, the defendant, at the address of his residence, as confirmed by public records checks and surveillance.

[8] "OV" stands for "overlapping voices" heard during the interception.

AP: Yeah, well, send him to [ORENA]; if you're going to [UI], it's better to - Sasha [GOLDSHMIDT] told him yesterday, he says: "I'll be calling you", he says: "If you call me, I won't pick up." He says: "Why the fuck do I need you?" He told him this. He says: "You gave back the deal. Why are you now calling me regretting it [UI] - you look like a puppet running back and forth. It doesn't happen that way: either you are here or you're there.

EA: Well, I told him - I also told him: "Listen, you dropped out, you put me in such a situation where I've never been in all my life." I tell him...

AP: So that's it, send him to [UI]; now you don't have to re... - he's already dropped out and went with others. This was my reason, because Pushkin [GOLDSHMIDT] tells me: "Let's whatchamacallit - let him give us - try to give us back our money, go in for a share with [ORENA, we'll take this money and split it among ourselves." I say: "Sure, no question, let's..."

EA: [OV] To distance oneself from him...

AP: [OV] That's why I made a deal with [ORENA]. I say: "[ORENA], let's whatchamacallit... Sure, let me sign up with you." He says: "I am short - prices went up, they want to create a normal program - I am short 250 thousand." I say: "I'll give you 250,000 but go and work, make deals and figure things out with [GROSSMAN]." That's all. I wrote him a check made out to [ORENA]'s corporation and... that's it. I am going to - because I can't take out my 25 yet while all this shit...

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that PUZAITZER and AKSANOV were discussing the new roles of GOLDSHMIDT, PUZAITZER and ORENA in the FUEG stock market manipulation. PUZAITZER described PUZAITZER's stake by stating that he had "signed for 33%" of ORENA's "share" in the FUEG stock scheme, which allows "no headache" for PUZAITZER. PUZAITZER further explains GOLDSHMIDT's agreement with the arrangement by telling AKSANOV that GOLDSHMIDT had said to "let him [meaning ORENA] give us, try to give us back our money." Accordingly, ORENA is apparently operating at the direction of

GOLDSHMIDT and PUZAITZER, which was part of PUZAITZER's plan ("That's why I made a deal with [ORENA]").

The call continued:

EA: Yeah, but I don't understand what [ORENA] did in the beginning, he could've thought of selling to recoup - shit.

AP: [OV] The sale didn't work out, I'll explain to you what happened. Or maybe that's how [GROSSMAN] put it together. From his account at ["Brokerage-2"], when a person put in a bid, he shoved 120,000 at this person and then said: "Oh, there's been a mistake, I put in my order like this and sent an email, it's your problem, not mine; I can only email", and so on. These 44,000 that are on his account right now, just so you understand, have been bought by our guy, who should be let out of this, he is sitting on it. Do you understand this? And when they saw that this offer was getting hit, the guys stopped [ORENA] and said: "Listen, [UI]. What's going on, someone is hitting it."

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this portion of the conversation, PUZAITZER and AKSANOV were discussing the trading by YITZ GROSSMAN and PAUL ORENA, the defendants, of FUEG stock in an effort to create the appearance of liquidity and depth in the FUEG marketplace.

The call continued:

* * *

AP: . . . So, tell me: so it turns out that yours are coming out when? They are coming out on Friday, well, they're coming out on Friday for Monday?

EA: On Friday after market close, Friday, Saturday, Sunday.

AP: Uh huh. Coming out for Monday, so it whatchamacallit there.

EA: Well, if he does all that's needed, if, I don't know, we'll see tomorrow.

AP: Pardon?

EA: We'll see tomorrow, if [GROSSMAN] says he is going to do whatchamacallit...

AP: Uh huh. So [GROSSMAN] hasn't confirmed it yet, so to speak?

EA: I spoke to him, he said: "Listen, [ORENA] is doing what he is supposed to be doing, he's told me that it'll be there, so if everything is alright, then we have the green light. If...

AP: [OV] Uh huh. And he said - and he said that it'll - and he said that it would be 30 kopecks,[9] right?

EA: That's what we agreed on, yeah, I... He started saying "35", I told him...

AP: [OV] It's...

EA: [OV] I tell him: "30 - 30 is more than enough."

AP: It's not going to get there, I don't see it - 10, 20, 30 - 30 is what's showing. And at 30 there are already 2; I already see 40. I think another 70 thousand or so need to be bought up.

EA: I don't know, he told me that he'd spoken to [ORENA], that everything would be alright, and he'd give his answer tomorrow.

AP: Well, [ORENA, ORENA] called me; he didn't tell him that exactly - he told him what he's doing, he doesn't know whether he'll be there, but 'there' is in the 20s, in the high 20s, and it'll happen, but he wasn't...

EA: I tried, but he told me - I told him: "If we - if it's at 28", he says: "What are we talking about?" He said that [ORENA] told him that it'll get there, that - so uh - you know, we'll see tomorrow.

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[9] "Kopecks" are coins in Russian currency.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that PUZAITZER and AKSANOV were discussing the fact that the price of FUEG stock was likely never going to exceed 30 cents ("30 kopecks"), unless 70,000 more shares were purchased on the open market. Furthermore, PUZAITZER and AKSANOV discussed the anticipated coordinated FUEG promotional campaign "coming out on Friday, for Monday." Records checks reveal that FUEG issued a press release on Friday, September 21, 2012, at approximately 4:01 p.m. titled, "Face Up Entertainment Group, Inc. Reality Gaming Platform Built to Take Advantage of Ruling That Poker is Legal." Furthermore, PUZAITZER and AKSANOV were discussing the current FUEG stock price in the "20's" and where PUZAITZER and AKSANOV anticipate the FUEG stock price to be before the anticipated FUEG press release is released "if it's at 28 . . . [ORENA] told him it'll get there." I know from trading data for FUEG that, on September 20, 2012, FUEG shares had been trading between approximately $0.20 and $0.26. and closed at $0.275 on Friday, September 21, 2012.

The call continued:

AP: [OV] This Jew [referring to GROSSMAN], he - he is so fucking nasty, he needs to have money taken from him, I am fucking sick of him.

EA: I - I - no, I can't talk to him, I just want to do it like this and then do it like this and say: "Listen, [GROSSMAN], here it's done, and...

AP: [OV] Yeah.

EA: [OV] And if it didn't come out in the right way, and something didn't go correctly, later it's impossible to do, to tell him: "Listen, here I wanted to - you - make it up to you, and you fucked it up yourself, goodbye, have a good day."

AP: He needs to have it taken away from him, that fucker, because he is fucking nitpicker, he just walks around analyzing all this shit.

EA: Something is not right there - I am just telling you that...

AP: [OV] Yes, analysis here, analysis there - he analyzes every single fucking thing, but besides his analyses he doesn't - and he lectures everyone. This has put me in such a mood, I am going to call [ORENA] right now, and tell him to screw the fucker - so I don't call him and tell him this myself.

EA: I am just looking: the way this thing is going, it's a joke, because - uh - all of a sudden, this one knows that everybody is out of the way, and all of a sudden it's going where it needs to go. Uhhh... And then - you know, you have to see this, because maybe he... I don't even think it's him - you know who I think is doing this?

AP: Yeah? [OV] The market makers are fucking around.

EA: It's that fucking [FUEG Insider-1], motherfucker.

AP: Who?

EA: [FUEG Insider-1].

AP: Who is [FUEG Insider-1]?

EA: What do you mean, who is [FUEG Insider-1]? The CEO of the fucking company.

AP: You think he is doing this?

EA: . . . He - he had been in the game before. I think it's him, somehow - because I simply don't understand where all this paper is coming from.

AP: But it seems that he is watching that all his shit is in place, I don't know...

EA: This shit is what he is showing, but one person has [UI], which is never shown to the public. And when he creates the documents and prints them, he - he does it so he is never in there. How do you know? He gives you the documents, it's not like you see it on your...

AP: Yeah, you mean that [FUEG Insider-1], who was supposed to convert and receive all this shit. He had a converter there, someone who converted...

EA: [OV] You see, he has another racket going. I know what one guy did...

AP: Uh huh.

EA: The first - when it took off there - the first - you know, uh - 700 million shares was trading, everything was fine.

AP: Uh huh.

EA: All of a sudden the guy doesn't understand what's going on. He just put up the money, he sold...

AP: [OV] Uh huh.

EA: He sold 300 thousand, and then someone - out of nowhere - half a million, hitting on each side.

AP: Uh huh.

EA: He has no idea what's going on. He - he calls him, he says to him: "Listen, you told me that there's nothing there, where... We were trading out of a million shares, we've only sold 300 thousand, how can this be?"

AP: Uh huh.

EA: "I don't understand..."

AP: I got it.

EA: [OV] He later sold to him. You know? So it's - it's the same fairy tale as [UI] person told, you know?

AP: Yeah.

EA: Totally the same.

AP: Ok, and you - you - have you spoken with this trader?

EA: I spoke to the trader there, he doesn't even- they don't even look at this shit.

AP: But you told him that - these are friends, friendly, so to speak, right?

EA: I told him: "Listen, I know a person, who - you know, uh - I know a person, who owns this thing, and uh - he has asked me to speak to you. You are - you know - playing around, right - it's better for us to make a deal, you know, for him to give you a higher commission, and you leave him alone."

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that PUZAITZER and AKSANOV were discussing trading in FUEG that was taking place, and AKSANOV said AKSANOV believed that FUEG Insider-1 was trading, and that he "had been in the game before," meaning, I believe, that FUEG Insider-1 had been part of a prior market manipulation scheme ("the game"). When PUZAITZER pointed out that public records ("the documents") show that FUEG Insider-1 still owns all of the stock, AKSANOV indicated that AKSANOV believed FUEG Insider-1 was using other people ("a converter") to conduct trading to conceal the involvement of FUEG Insider-1 and YITZ GROSSMAN, the defendant. I believe that this discussion of who was conducting trading is reflective of Phase 1 activities in the FUEG "pump and dump" scheme.

iii. On or about August 31, 2012, at approximately 5:02 p.m., CC-1 placed a call using a cellular telephone assigned a call number ending in 5996 ("CC-1 Phone-2")[10] to GOLDSHMIDT at a cellular telephone assigned a call number ending in 1143 ("GOLDSHMIDT Phone-2").[11] During the call, the following conversation took place in substance and in part:

CC1: [ORENA] looks like he's cleaning it up.

AG: I haven't even looked, uh, whatchamacallit, he, he called me. He said, uh, I spoke before, he says he spoke to you and you are arranging the stock. Then I told him, I said, "calm that fucking guy [referring to YITZ GROSSMAN, the defendant] down because he keeps calling me." I said, "and you know, he's gonna get everything that I have so tell him to fucking relax."

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[10] CC-1 Phone-2 is a prepaid cellular telephone. Based on wiretap interceptions, I recognize the voice of CC-1 as that being used on CC-1 Phone-2. Based on information provided by CC-1, I know that CC-1 Phone-2 is a prepaid cellular telephone provided to CC-1 by ALEX PUZAITZER, the defendant, within the past year and a half.

[11] GOLDSHMIDT Phone-2 is a prepaid cellular telephone. Based on wiretap interceptions, I recognize the voice of GOLDSHMIDT as that being used on GOLDSHMIDT Phone-2.

CC1: Yeah, if he doesn't relax, tell him to go fuck himself. I'm not kidding around.

AG: . . . No, I don't want to tell him to go fuck himself, he, you know? I mean look, right? You know, uh, promise him, you know, whatever. It is what it is. What I [unintelligible], you know.

CC1: He's got, he's got all, he's got 99% of it so far.

AG: I know that, but here, here's the thing, I, when I spoke to what's his name, I spoke to [ORENA]. I told him, I said "explain to him that everything is under control." I said, "you know exactly what is going on." I said, "I can't tell him what is going on." Okay? "But you gotta somehow, you know, diffuse the situation, so tell him to fucking relax." So, he said he is gonna take care of it, so [unintelligible] that['s] where we are.

Based on my review of other recorded conversations and the context of this conversation, I am aware that CC-1 and GOLDSHMIDT were discussing the fact that GROSSMAN ("that fucking guy") was pressuring GOLDSHMIDT, CC-1 and the others through ORENA about returning FUEG stock that was distributed to controlled nominees to facilitate the concealment of the true identities of the traders of FUEG to effect the "pump and dump" scheme, and GOLDSHMIDT wanted GROSSMAN to "calm . . . down," meaning to stop harassing them on the telephone. I believe that CC-1's statement that GROSSMAN has "got 99% of it so far," referred to the fact that GROSSMAN controlled most of FUEG's publicly tradable stock.

iv. On or about September 7, 2012, at approximately 5:39 p.m., GOLDSHMIDT placed a call using GOLDSHMIDT Phone-2 to CC-1 at CC-1 Phone-2, during which the following conversation took place, in substance and in part:

AG: I didn't get anything yet.

CC1: It should be in your account.

AG: It's not.

CC1: Are you 1,000% positive?

AG: So I just, when I got home, I checked the account, the other shit is there, this shit is not there.

CC1: What other shit is there?

AG: The FU.

CC1: FU is not in your acc[ount] . . . it's not supposed to be in your account.

AG: FU is in my account.

CC1: It's supposed to be in the other idiot's account.

AG: No, FU is in my account.

CC1: Oh, these fucking idiots.

AG: OK, so FU is in my account, but that stuff is not in my account.

CC1: Oy vay. Alright, let me call [individual at Brokerage-1] right now. It's supposed to be in your, first of all, FU, just between you and I . . . is not supposed to be in your account, it's supposed to be in Arevim [unintelligible].

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that in this call, GOLDSHMIDT was stating that GOLDSHMIDT checked GOLDSHMIDT's brokerage account expecting to see shares of a different stock ("this shit"), but discovered that GOLDSHMIDT's account contained FUEG shares ("the other shit" and "FU"). CC-1 explained that the FUEG shares were supposed to have been transferred into someone else's ("the other idiot's") account. Based on the context and my familiarity with market manipulation schemes, I believe CC-1 was exhibiting knowledge of the use of nominee accounts to facilitate the concealment of the true identities of the traders of FUEG and referring to the fact that those FUEG shares had been transferred into the wrong nominee account for purposes of executing the scheme. Indeed, it is apparent that these FUEG shares were supposed to have been placed in a nominee account controlled by GROSSMAN called "Arevim." As noted above, based on my review of the FUEG Form 10K for fiscal year 2011, I am aware that GROSSMAN's wife was described as the president of Arevim, Inc., to which, in late 2011, FUEG granted a demand note convertible to shares of FUEG. In addition, from reviewing a 2010 opinion of the Delaware Court of Chancery, I am aware that Arevim, Inc. is a Delaware corporation formed by GROSSMAN, whose officers consist of GROSSMAN and his wife, and its principal place of business is GROSSMAN's home address.

b. On or about July 17, 2012, at approximately 8:48 p.m., GOLDSHMIDT placed a call using GOLDSHMIDT Phone-1 to PUZAITZER at a cellular telephone assigned a call number ending in 8909 ("PUZAITZER Phone-2")[12], during which the following conversation took place, in substance and in part:

AP: What's up with [AKSANOV], that nut?

AG: Nothing, we're waiting for whatchamacallit, the thing he asked for. He told me, "[CC-1] told me that today something will happen so that the paper will get accepted. He hasn't done a fucking thing again."

AP: But I spoke with him. I told him, "[AKSANOV], if we don't know when, it costs us money." He is either dumb or doesn't really understand. When I called [CC-1] and said, "[CC-1], find out when from him." And I told that one personally yesterday, I said, "This one will be coming out; that one will be coming out. Are you okay with it?" He says, "Yeah, we have to go to him with Sasha [GOLDSHMIDT] and have a talk with him." I say, "Talk to him, meantime, meantime I'll tell him to make an arrangement. When we learn the dates, let him line some people up and find out." He says, "Okay, but we have to [unintelligible]." I say, "[AKSANOV]" He says, "Let him get out." I said, "[AKSANOV], it makes no sense to get out then; it's a waste of everything. You have to at least understand when, then you can get out a day earlier and do something." Either he's dumb or I'm bad at explaining.

AG: I think you just don't understand each other. Because in order for [GROSSMAN] to agree to do something, the paper should be raised to a certain level. And to raise the paper to a certain level, you have 10 thousand shares in your way. Because if you take a look at it now, you'll see that

[12] Based on a review of wiretap interceptions, I recognize the voice of PUZAITZER as that being used on PUZAITZER Phone-2.

no one is touching it. That's why you two speak different languages.

AP: We're not speaking different languages, Sashen'ka. As far as the theory goes, it's always . . . it's 10 thousand then, and 20 thousand after, and then you look and see that it's not gonna be 10 thousand again. And they won't raise it to the level he wants.

AG: Did you look at it?

AP: Yeah, I did look at it. What, what are we arguing for? Let's, let's just make a bet on a bottle of beer.

AG: What's the bet?

AP: The bet is that they won't raise it to 35 or to 30-35 like he wants.

AG: But, I guarantee that tomorrow, figuratively speaking, 20-25 thousand shares will come in.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that GOLDSHMIDT's reference to CC-1 indicated that CC-1 was assisting with the transfer of shares of FUEG stock. Furthermore, GOLDSHMIDT describes the anticipated FUEG stock price "in order for [GROSSMAN] to agree to do something, the paper should be raised to a certain level" for GOLDSHMIDT, PUZAITZER, and others to be in a position to sell of FUEG stock in an artificially inflated market.

The call continued:

* * *

AP: No, because if that one wants to get out this weekend, they will come in tomorrow, you have to stand still for four days and it turns out you have to support it for four days.

AG: You don't have to support it, no one is touching it, Alik.

AP: Well okay. . .

AG: No one is touching it. You have no one on that offer. All the offers that were taken back, the ones that were there in the beginning of you remember, they were 20, 19, 20, 23 cents. They were all taken back. It costs 27.[13] I can tell you more. Do you want me to make it 35 without him doing anything at all?

AP: If you do it, what do we need him for? I don't understand. . . . Because it has to be [unintelligible] because 27 [unintelligible]. [AKSANOV] is a nut, but he will take it back and will stand at 35. It has to be printed at 35, Alik . . . .

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that their references to "This one will be coming out; that one will be coming out" refer to pending FUEG stock promotions or campaigns coordinated by GOLDSHMIDT, PUZAITZER and others, and the "arrangement" refers to the coordination of trading between participants in the scheme, known as "cross trading," which is an essential component of a "pump and dump" scheme.

c. On or about July 19, 2012, at approximately 2:17 p.m., GOLDSHMIDT, using GOLDSHMIDT Phone-1, sent a text message to CC-1 at a cellular telephone assigned a call number ending in 3803 ("CC-1 Phone-3")[14], stating, "Is anything going to happen with FU. [AKSANOV] keeps calling me, says that u promised him that u will get it up, so that [GROSSMAN] is alittle [sic] calm . . . ." GOLDSHMIDT replied by text, "Huh?" CC-1 replied, "R u free for a call?" GOLDSHMIDT responded, "I called you. What's up." CC-1 asked, "When did I speak to [AKSANOV]" GOLDSHMIDT replied, "Btw, do we need news for Monday?" Shortly after that GOLDSHMIDT texted CC-1 again, stating "Not his offer. If u can, take it." CC-1 replied approximately 8 minutes and 30 seconds later, "Bought what I thought was the offer and they reloaded."

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that GOLDSHMIDT's reference to "FU" meant FUEG, and that they were discussing the fact that GOLDSHMIDT heard from EFIM AKSANOV that CC-1 would be trading to increase the share price of FUEG ("u will get it up"). I believe that GOLDSHMIDT's question, "do we need news for Monday" was asking CC-1 whether a press release should be issued the next Monday to help move the price of FUEG. I believe that, later in the text exchange, CC-1 and GOLDSHMIDT were discussing matching bids and offers, known as "cross trading," for FUEG stock among the participants in the "pump and dump" scheme ("his offer," "if you can, take it," and "[b]ought what I thought was the offer"). Such "cross trading" is indicative of a "pump and dump" scheme because the participants are coordinating trades to achieve movements in price. Moreover, I know from trading records that, on July 19, 2012, CC-1, through Marjorie Group, purchased a total of 10,500 shares of FUEG believed to have been executed in two purchases of 8,000 and 2,500 shares for $0.28 per share.

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[13] I know from trading records that the price of FUEG stock closed at $0.27 per share on July 17, 2012.

[14] Subscriber information for CC-1 Phone-3 lists CC-1 as the user.

Phase 2 - FUEG Price Manipulation

23. On or about July 19, 2012, at approximately 8:00 p.m., ALEXANDER GOLDSHMIDT, the defendant, received a call on GOLDSHMIDT Phone-1 from CC-1, using CC-1 Phone-1, during which the following conversation took place, in substance and in part:

CC1: . . . How was your meeting with uh . . .

AG: Well, my meetings are, my meetings are all the same. You know, you promise the stock is going to be somewhere, then I spoke to . . .

CC1: I love it that we both go through the same fucking day.

AG: Bro, same shit every day. I'm telling you, I'm losing my mind.

CC1: It's "Groundhog Day."

AG: It's the same fucking conversation every fucking day. From morning till night. So, uh, whatchamacallit, he says, "Look you promised and [CC-1] promised that it's going to go, we're going to get it to the same level, and then the guys are going to go out and you can agree to it and he's fine with it."

CC1: Bro, I would love to, but the guy is leaning on the fucking stop like you can't imagine. I took 8,000. It was supposed to be gone. Boom, he reloads . . .

AG: I don't know what it was showing. Try to do something in the morning so that this guy. . . Here's the thing, then I spoke to [YITZ GROSSMAN, the defendant], okay? And [GROSSMAN] is like, he goes, "I understand the situation," he goes, "I'm sure you didn't need me for money, blah blah

blah, I don't want to see you lose money on the transaction," he goes, "but, uh, you know, uh, [EFIM AKSANOV, the defendant] said you guys were trying to do something for next week," he goes, "I'll be honest with you, I don't believe it." [unintelligible] [GROSSMAN], he goes, "You have all the help from me that you need. If you need more money, I will, I'll give you more money." You know what I'm saying? This is where these conversations are going now. He's like . . .

CC1: Wait. Say that again. Say that, what did he say?

AG: He said, if you know that [AKSANOV] told him that, you know, we're going to do something next week. Right? He goes, I don't believe it, but if I see it and you need more money to recoup with the bills, he goes, you can count me in and I'll help you even with the money. I just don't believe that you're going to do anything because it doesn't look to me like the stock is getting ready to do something.

CC1: I understand that. I would have, you're not following what I'm saying to you, [unintelligible] snoop-a-loop. Okay, like look at this. Well now it's gone, but at night it keeps reloading at 28; they don't want to, fucking to move it. Your World Co. guy is gone.

AG: Right.

CC1: You can't even get up.

AG: I think it was showing 5,000 at 28 before [unintelligible].

CC1: Dude, yeah, look at the time of sales. I bought 8,000 to do it at market 'cause I thought it was going to go to 32, and then all of a sudden he freaking reloads with another 8,600.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that GOLDSHMIDT was relaying to CC-1 GOLDSHMIDT's meetings that day with others involved in the FUEG "pump and dump" scheme and GOLDSHMIDT's frustration with having to follow through with the "promise" that the price of FUEG "is going to be somewhere." CC-1 confirmed GOLDSHMIDT's frustration in describing CC-1's own trading that day in what appears to be FUEG stock, for what is believed to be the purpose of artificially inflating the FUEG market, by stating, "I took 8,000," which is believed to refer to CC-1's purchase of 8,000

FUEG shares. I know from trading records that CC-1 purchased a total of 10,500 shares of FUEG stock through Marjorie Group, on July 19, 2012, in two purchases of 8,000 and 2,500 shares. CC-1's reference to "28" appears to match the closing price of FUEG stock on July 19, 2012. Trading records show that the price of FUEG stock opened at $0.18 per share on July 19, 2012, and closed at $0.28 per share. The total volume of trading in FUEG stock on July 19, 2012, was approximately 12,000 shares, 10,500 of which CC-1 purchased. Accordingly, CC-1's purchase of 10,500 shares constituted approximately 88% of the trades in FUEG stock that occurred on July 19, 2012, and is therefore believed to have caused the closing price of FUEG to rise to $0.28 per share.

24. On or about July 25, 2012, at approximately 2:14 p.m., ALEXANDER GOLDSHMIDT, the defendant, received a call on GOLDSHMIDT Phone-1 from CC-1, using CC-1 Phone-1, during which the following conversation took place, in substance and in part:

CC1: So, on the FUEG there is a bid for about 57,000 shares at 20.

AG: Ok.

CC1: What?

AG: Ok, don't do anything.

CC1: What?

AG: Don't do anything because he still won't do single back, so you know what I am saying?

CC1: I am not going to, I just asking you . . .

AG: No, no, no. Don't do it. Don't do it.

CC1: Should I take it down to 2 cents?

AG: Huh?

CC1: Should I take it to 2 cents?

AG: Well, that's what I am saying, don't do that.

CC1: Don't take it to 2 cents, or take it to 2 cents? I can't hear what you are saying, there's a Russian in the background.

AG: Don't, don't, don't. Why the fuck do you want to take it to 2 cents?

CC1: Take? You said to take it to 2 cents?

AG: No, I said don't do it.

CC1: Who is in the background?

AG: A bus.

CC1: Take it down to 2 cents, what?

AG: Yeah, okay. Stop being a wise ass.

CC1: Uh, can I get [unknown male] off my back and maybe have him sell a little bit to get him out of my ass. Are you there?

AG: What are you saying?

CC1: Can you hear me?

AG: Now I can hear you. What do you want me to [unintelligible]?

CC1: I am saying can I have [unknown male], sell a little bit so he is not up my ass?

AG: Uh, a little bit I guess, I don't know, I don't . . . It's your call.

CC1: What do you mean? It's your call too. We are responsible for it. We are not alone on it.

AG: I understand, but can we wait a day, 'cause to figure out what the fuck we are doing until tomorrow, can we hold off? Can you [unintelligible] hold him off 'til tomorrow?

CC1: Yes, I can tell him to chill out. Fine, I will call you back.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that CC-1 and GOLDSHMIDT are discussing that CC-1 wants to sell a small amount of shares of FUEG to mollify someone with whom CC-1 is dealing. CC-1 also jokes with GOLDSHMIDT that CC-1 is going to reduce the share price of FUEG down to $0.02. From my review of trading records I have learned that on July 25, 2012, CC-1, in CC-1's own name, sold 8,500 shares of FUEG for

$0.20 per share, and, through Marjorie Group, bought 5,000 shares of FUEG for $0.22 per share on the same day.

25. On or about July 25, 2012, at approximately 4:46 p.m., ALEXANDER GOLDSHMIDT, the defendant, placed a call on GOLDSHMIDT Phone-1 to CC-1, using CC-1 Phone-1, during which the following conversation took place, in substance and in part:

CC1: Alright, so what's the story here 'cause I have to give some answers back.

AG: As far as what?

CC1: Or is "Number One" [ALEX PUZAITZER, the defendant] taking over the whole FUE thing?

AG: FU thing. . . We'll deal with it tomorrow bro, I'm not dealing with FU today.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that CC-1 was looking for direction from GOLDSHMIDT on the "FUE thing," or "FU thing," referring to FUEG, and CC-1 was concerned about answering to other unknown parties believed to be involved in the FUEG "pump and dump" scheme.

Phase 2 - Participants in the FUEG "Pump and Dump" Scheme Coordinate Trading Around FUEG Press Release Campaign in Late August and Early September 2012

26. On or about Friday, August 31, 2012, at approximately 1:58 p.m., ALEXANDER GOLDSHMIDT, the defendant, placed a call using GOLDSHMIDT Phone-2 to CC-2 at a telephone assigned a call number ending in 9100 ("CC-2 Phone-1"), during which the following conversation took place, in substance and in part:

AG: Ok, so we are all set for Tuesday, yes?

CC2: What?

AG: I'm just making sure we are all set for Tuesday, because they are . . . they are good.

CC2: They are good for Tuesday?

AG: Yep.

CC2: Ok.

AG: Ok?

CC2: Well, do you want it any particular price or here is good?

AG: Uhh, somewhere here is good. Somewhere here is fine, before the close it should be . . .

CC2: What?

AG: I said, before the close, if you could be a little higher it would be nice.

CC2: Ok.

AG: 40, 40, 42, something like that would be decent.

CC2: 42 is too big of a, of a, of a move.

AG: Then, watch the, let's do for, why don't you just do for . . . Whatever you think, whatever you think.

CC2: No, no, I want to explain something. If you do a big move before you do program, people don't buy the program because they see they are too late.

AG: Right.

CC2: If they see the stock was up 10 cent and up 25% the day before . . .

AG: [unintelligible]

CC2: Counterproductive.

AG: Ok, so do what uh, it needs a little volume before, the, before the close.

CC2: Ok.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that this conversation relates to the FUEG "pump and dump" scheme. Specifically, GOLDSHMIDT is looking to conduct a fraudulent promotion designed to increase share price. I believe that CC-2 is a broker who is handling some of the trading of FUEG stock for GOLDSHMIDT and others. I know from publicly available information that CC-2 is a President at a brokerage firm with offices in New York, New York and Brooklyn, New York ("Brokerage-1"). GOLDSHMIDT's reference to being "all set for

Tuesday" referred to a promotion or "pump" planned to take place on Tuesday, September 4, 2012. I know in part from online records checks that there were a number of FUEG press releases issued to the investing public on September 4, 2012, including an article entitled, *Must Read Information on the Following Stocks (OTCOB: FUEG), . . . www.InsideBulls.com Is Issuing Updated Trend Analysis Reports on Stocks (OTCOB: FUEG)*. In that article, it stated that FUEG was "active this week." Based on my review of intercepted calls, I believe that these press releases were part of a coordinated effort by GOLDSHMIDT and the others to initiate public interest in FUEG stock. In anticipation of the September 4, 2012 FUEG press releases, CC-2 was confirming with GOLDSHMIDT that there would be a FUEG event or stock promotion so that CC-2 could start trading when CC-2 asked GOLDSHMIDT if "They are good for Tuesday [September 4, 2012]?" When GOLDSHMIDT told CC-2 that "before the close if you could be a little higher. It would be nice," I believe that GOLDSHMIDT was referring to inflating the price of FUEG stock by the close of the trading day on Friday, August 31, 2012, which was the last trading day until Tuesday, September 4 after the long Labor Day holiday weekend. GOLDSHMIDT wanted CC-2 to trade FUEG that afternoon to stoke the public's interest in FUEG at the opening of the market after the weekend. I believe that CC-2's response, "If you do a big move before you do program, people don't buy the program because they see they are too late," refers to his advice that pushing the FUEG stock price too high on August 31, 2012, prior to an upcoming main news event would be counter-productive. Based on my training and experience, the nature of GOLDSHMIDT's call with CC-2 indicates that CC-2 is aware that CC-2 is participating in a "pump and dump" scheme, because CC-2 was discussing the price and how to most effectively coordinate the purchases with the promotion.

27. On or about August 31, 2012, at approximately 2:12 p.m., ALEXANDER GOLDSHMIDT, the defendant, placed a call using GOLDSHMIDT Phone-2 to PAUL ORENA, the defendant, at the cellular telephone assigned a call number ending in 4667 ("ORENA Phone-1"),[15] during which GOLDSHMIDT relayed the substance of his call with CC-2 to ORENA. During the call, the following conversation took place in substance and in part:

AG: Ok, uh, I spoke to him [CC-2], right?

PO: Yeah.

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[15] Based on information provided by CC-1, I have learned that ORENA Phone-1 is a prepaid cellular phone used by CC-1 to communicate with ORENA.

AG: So, he says to me, uh, you know, he goes, "I think, uh where it is now."

PO: Yeah.

AG: "Where it should stay," he goes, because if it, because if it goes any higher than that, people are gonna think they already missed it.

PO: I agree completely. I was gonna call you, um and um, I just, let's tighten it up a little, you know what I mean?

AG: Ok, no, that's what I said. I said, "I need to make it look good and we need a little volume before the close." So he said, "No problem."

PO: Great.

AG: He goes, but . . .

PO: Correct.

AG: I said, I said, "Let's go 42." He says, "Too high." He wouldn't do it.

PO: Yes, I agree.

AG: Ok.

PO: I agree, yeah, you know, nothing more than 40.

AG: No, no, no, so that's what I told him. I said, "Either leave it the way it is at 40." He goes, "Over 40 is too high."

PO: Perfect, he knows exactly what he is doing.

AG: [OV] [unintelligible].

PO: I agree completely, no, it's too much.

AG: I just want to let you know that, you know, I just spoke to him so that the, you know, and he said, but ah, he goes "You on track for Tuesday?" I said, "Yes."

PO: Yeah.

AG: He goes, "ok."

PO: And remember you tell him news is 3:50 today, too.

AG: Huh?

PO: Ah, news is coming out at 3:50.

AG: Yeah, I didn't tell him, want to tell him that. I don't want to get into those conversations.

PO: Yeah, that's fine.

AG: How would I know that?

PO: Yeah, exactly.

AG: You know what I'm saying?

PO: Yeah.

AG: Some things I don't know.

PO: Yeah, yeah, you know how to handle him, I don't gotta tell you.

AG: No, he's on it. He's watching it, so . . .

PO: Alright, great, perfect.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, GOLDSHMIDT and ORENA were agreeing to the plan discussed in GOLDSHMIDT's conversations with CC-2 ("him") that they would do "nothing more than 40," meaning that they would not push the stock price above 40 cents per share before the close of the stock market on August 31, 2012, into the long Labor Day holiday weekend, and that 42 cents per share would have been "too high." ORENA asked whether GOLDSHMIDT had told CC-2 that the "news [was] coming out at 3:50" that afternoon. I believe that ORENA was referring to some promotional materials about FUEG that were about to be released and that GOLDSHMIDT's response that he did not pass along this information to CC-2 because "how would [GOLDSHMIDT] know that," and that "some things I don't know," indicates that GOLDSHMIDT was selectively providing information to CC-2 to tell him as little as possible on the phone. Based on my familiarity with this investigation, training and experience concerning "pump and dump" schemes, and the fact that they knew in advance it was going to be released, I believe the FUEG promotion they discussed was being released for the purpose of inflating the stock price. Online records checks indicate that, on August 31, 2012, at approximately 3:50 p.m., FUEG distributed a press release entitled, *Face Up Entertainment Group, Inc., a Reality Gaming Social Network Company, Announces Broad Marketing Initiative, Face Up Entertainment Group, Inc. Initiates Multi-Faceted Branding and Marketing Campaign*. Trading records show that the price of FUEG stock closed at approximately $0.36 on Friday, August 31, 2012.

28. On or about August 31, 2012, at approximately 2:16 p.m., ALEXANDER GOLDSHMIDT, the defendant, received a call on GOLDSHMIDT Phone-2 from ALEX PUZAITZER, the defendant, at a cellular telephone assigned a call number ending with 3573 ("PUZAITZER Phone-3")[16], during which the following conversation took place, in substance and in part:

AP: You said you were going to call [YITZ GROSSMAN, the defendant] right now.

AG: Yes, of course, because I spoke to him.

AP: Oh yeah?

AG: He said to leave everything as is.

AP: Just like for today?

AG: Well, he'll add a little more volume.

AP: Uh huh.

AG: He said not to touch the price. Because, I said . . . he says, "where do you want it at?" I told him to do it at 40. He said that 40 is a lot. He said, "If you want to listen to me, the people who will see that it went up 25 kopecks in a week."

AP: Uh huh.

AG: "They will think they missed the program and no one is going to enter."

AP: Oh, so I have to tell [PAUL ORENA, the defendant] about this.

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16 Based on a review of wiretap interceptions, I recognize the voice of PUZAITZER as that being used on PUZAITZER Phone-3.

AG: I called [ORENA]. [ORENA] said, "I actually was going to call you and tell you the same thing." Maybe the kid told him the same thing.

AP: Uh huh.

AG: That's what I think. He didn't say it was the kid. He said it was him. He said, "I was just going to call you and tell you the same thing." What does he know about this shit? You understand it yourself.

AP: Oh, yes.

AG: [unintelligible]

AP: Yes.

AG: Thee. . .

AP: He wanted 50-60. I said, "but it is too much, shit, what are you crazy? Who, how can you make it like that? 50-60-70, fuck."

AG: No, that's what I'm telling you. And that one told me right away. He says, "leave it as it is."

AP: No, I was not worried about the price. I am not saying for the price. There should be there at least 150 [unintelligible].

AG: I do not know for 150, I told him to do something. He said, "I'll do it for the close." You know Sabbos time… I say, "you know what needs to be done." He says, "You are on for Tuesday for sure?" I say, "We're on for Tuesday. I got the confirmation."

AP: Uh huh.

AG: He says, "Ok then, I know what to do." I say, "Ok."

AP: Ok, cool.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, GOLDSHMIDT is relaying his conversations with CC-2 and his subsequent call with PAUL ORENA, the defendant, regarding the FUEG "pump and dump" scheme, specifically the end-of-the-day trading ("the close") in FUEG on August 31, 2012, and GOLDSHMIDT's "confirmation" to CC-2 that there will be a FUEG promotion on Tuesday, September 4, 2012 in connection with which CC-2 would trade FUEG stock to build market momentum. I further believe that the reference to "50-60-70" refers to the share price, in cents, that PUZAITZER said that ORENA wanted to achieve, which PUZAITZER did not think possible. I believe that PUZAITZER's reference to "at least 150," referred to his desire for the volume of trading to be at least 150,000 shares.

29. On or about August 31, 2012, at approximately 3:18 p.m., ALEXANDER GOLDSHMIDT, the defendant, placed a call using GOLDSHMIDT Phone-2 to PAUL ORENA, the defendant, at ORENA Phone-1, during which the following conversation took place, in substance and in part:

PO: Good, it was just to the bid, has like, had like 15 people on the bid right now, and there, uh, there was really no one left at the offer.

AG: Ok, so you gotta watch that, you know, for now.

PO: Yeah, yeah, yeah. So. . .

AG: What's the volume?

PO: Uh, it was, last I checked it was, uh, 99,000

AG: Ok, so we're fine, ok.

PO: Yeah, 99 and there was, uh, it's uh, it was 35, 34 over 41.

AG: I got you, ok.

PO: Alright, so, yeah, the kid, I spoke to kid. He's just like, you know, "It's up too much, 'cause, you know." So he goes, uh, so that's, that was his, you know, his philosophy, but, I'm going, I'm going to [individual at Brokerage-2's] now, then I'm going to meet with my guy.

AG: Ok, he might've left because, you know, it's Friday already. Maybe, I don't know. Uh, so keep an eye on it. If anything, have him put the hundred shares lower.

PO: Yeah.

AG: You know, uh . . .

PO: That's what I am saying. I, I'll call you, I'll call you, like in the, I'm pulling up to [individual at Brokerage-2's] in five minutes, when I'm out.

AG: Whatever, just get it done. If the guy is not there, just you know, have somebody, you know.

PO: Ok.

AG: Just a lower bid that's all.

PO: I know what you're saying.

AG: And, whatchamacallit, uh, but other than that, the kid is happy, right? Everything is good?

PO: Yeah. He's just, he says, you know, he goes, you know, "An offer's taken out a 40, 41 today, 'cause it's just a little too much." So that was his only concern, that, uh, it jumped too fast in three days.

AG: Alright. Ok.

PO: Alright? You know, but he's not worried from his end, he's just worried in general how it looks, you know?

AG: No. I understand, I understand.

PO: Yeah, so, but that's it.

AG: He's on for Tuesday, we're on for Tuesday, for sure.

PO: One thousand percent.

AG: Ok.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, GOLDSHMIDT and ORENA are discussing the current trading of FUEG in the market on August 31, 2012, specifically the FUEG volume of approximately "99,000" and stock price of "34, 35" cents per share. I know from trading records that FUEG stock traded at a volume of approximately 100,267 and closed at a price of $0.36 per share on August 31, 2012. Furthermore, I believe GOLDSHMIDT is confirming that ORENA has coordinated an FUEG promotion for the following Tuesday, September 4, 2012, by asking ORENA "we're on for Tuesday, for sure," to which ORENA replies, "one thousand percent." I know from online records checks that there were approximately three

FUEG press releases issued to the investing public on Tuesday, September 4, 2012, and at least one promotional article released by "PennyStocksGuru.net" was entitled, *Must Read Information on the Following Stocks (OTCOB: FUEG), . . . www.InsideBulls.com Is Issuing Updated Trend Analysis Reports on Stocks (OTCOB: FUEG).* In that article, it stated that FUEG was "active this week."

30. On or about August 31, 2012, at approximately 5:02 p.m., ALEXANDER GOLDSHMIDT, the defendant, received a call on GOLDSHMIDT Phone-2 from CC-1, using CC-1 Phone-2. During the call, the following conversation took place in substance and in part:

CC1: [PAUL ORENA, the defendant] looks like he's cleaning it up.

AG: I haven't even looked, uh, whatchamacallit, he, he called me. He said, uh, I spoke before, he says he spoke to you and you are arranging the stock. Then I told him, I said, "calm that fucking guy [referring to YITZ GROSSMAN, the defendant] down because he keeps calling me." I said, "and you know, he's gonna get everything that I have so tell him to fucking relax."

CC1: Yeah, if he doesn't relax, tell him to go fuck himself. I'm not kidding around.

AG: . . . No, I don't want to tell him to go fuck himself, he, you know? I mean look, right? You know, uh, promise him, you know, whatever. It is what it is. What I [unintelligible], you know.

CC1: He's got, he's got all, he's got 99% of it so far.

AG: I know that, but here, here's the thing, I, when I spoke to what's his name, I spoke to [ORENA]. I told him, I said "explain to him that everything is under control." I said, "you know exactly what is going on." I said, "I can't tell him what is going on." Okay? "But you gotta somehow, you know, diffuse the situation, so tell him to fucking relax." So, he said he is gonna take care of it, so [unintelligible] that['s] where we are.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications and context of this conversation, I believe that CC-1 and GOLDSHMIDT were discussing the fact that YITZ GROSSMAN, the defendant ("that fucking guy") was pressuring GOLDSHMIDT, CC-1 and others about returning FUEG stock that had been distributed to controlled nominees to effect the "pump and dump" scheme, and GOLDSHMIDT wanted GROSSMAN to "calm . . . down," meaning to stop harassing them on the telephone. I believe that CC-1's statement that GROSSMAN has "got 99% of it so far," referred to GROSSMAN's significant control over most of FUEG's publicly traded stock.

28. I know from reviewing intercepted communications that the participants in the FUEG "pump and dump" scheme traded in coordination with FUEG press releases issued on September 4, 2012. From the following conversations, among others, it appears that during that day, ALEXANDER GOLDSHMIDT, the defendant, and the others lost control of the trading, such that the price of FUEG did not rise as high as they had anticipated, and as high as they needed to reap their intended profits from the unsuspecting public.

a. On or about September 4, 2012, at approximately 9:22 a.m., GOLDSHMIDT received a call on GOLDSHMIDT Phone-2 from ALEXANDER PUZAITZER, the defendant, using PUZAITZER Phone-3, during which the following conversation took place, in substance and in part:

AP: So, it's 30 pre-market, but it's going up [unintelligible]. It's already going at 41.

AG: So, alright, alright.

b. Later that morning, at approximately 9:51 a.m. GOLDSHMIDT placed a call using GOLDSHMIDT Phone-2 to PUZAITZER at PUZAITZER Phone-3, during which the following conversation took place, in substance and in part:

AG: What, is it fucked up there?

AP: No, no, he will be there all day. He is going for the whole day. He says he'll come in the afternoon so everything would creep up a bit, because he will make certain volume in the afternoon.

AG: Because this guy called me and told me it doesn't work.

AP: What do you mean it doesn't work? Hold on, ok?

AG: He called me and said that 300,000 was traded and everybody is selling. He said, "I don't know, I don't know what's going on, there are no buyers." He sees the market.

AP: Uh huh.

AG: And that's it.

AP: What do you mean, there are small trades there. There are a bunch of small ones going in, 200, 300, 500, 700.

AG: Yes, but the stock, the stock is going down, Alik.

AP: Well, the stock is going down a bit. It was knocked down when the traders-schmaders went in because he is mostly not supporting it completely. There is one on a bid and that's it. They see it, they tested, they tested, they went in from the short. There is a bunch of, there is a fucking bunch of market makers. Did you get there yet?

AG: No, I'm just now approaching the tunnel.

AP: Ok, come there and see.

c. Later that morning, at approximately 10:37 a.m., GOLDSHMIDT, using GOLDSHMIDT Phone-2, placed a call to PUZAITZER at PUZAITZER Phone-3, during which the following conversation took place, in substance and in part:

AG: . . . I said, "the trading is shitty." He says, "You guys are not coordinating, because," he says, "it seems like there is a bunch of competing orders," he says, "but meanwhile, I'm getting hit." He says, "That's why . . ."

AP: Then I'll explain to you what happened. [Brokerage-2] sold it by, on its own and rerouted it. Then they sent the email. You see, they are slick faggots. They sold 105,000. Obviously, this didn't go through [CC-2]. Do you see what I'm saying?

AG: They are the ones who sold it to him. He bought 100,000 out of these damn 300.

AP: Well, in short, they were sold, so I'm telling you, I'm explaining to you that this didn't go through him. They just were sold and not paid for. They competed with them. We just removed the order and will put the order through ["Brokerage-3"], but he just has to, the boy has to be told whether to turn this story on or turn it off, what he has to do with this.

d. Later that morning, at approximately 10:47 a.m., GOLDSHMIDT using GOLDSHMIDT Phone-2 placed a call to PUZAITZER at PUZAITZER Phone-3, during which the following conversation took place, in substance and in part:

AP: Everything was sent to him.

AG: It was sent? There is still this ["Brokerage-4"] on offer and not going away. There's [Brokerage-4] and ["Brokerage-5"] were on offer, and [Brokerage-4] was supposed to have been our guy.

AP: Yeah, but neither of them has orders in right now, so they'll just limit his trades.

AG: I am explaining to you, [Brokerage-4] was our guy. He was helping with bids, but I don't know what he is doing on the offer side.

AP: He bought a few, now he is selling a little more, I am not sure. So, what should we be doing?

AG: I don't know, I don't know. He says that he doesn't even know what to do, because he says that the volume is not there and he doesn't know what to do.

AP: I am explaining to you, we can involve him right now. He is asking that we pull up the bid a little.

AG: Where can it be pulled up to? To pull it up, we have to buy offers. There are outstanding offers.

AP: Ok, so he should do this, we will tell him to go ahead, and we will pull it up. He is not worried about the volume. He turned it on, he turned on a permanent button, and it's doing its thing all day. He has just stopped it. He says, guys, he is not being supported, that trader, he is doing something wrong. I don't know. He says the trader is not doing good work.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in these conversations on September 4, 2012, GOLDSHMIDT and PUZAITZER were discussing the coordinated effort by the participants in the FUEG "pump and dump" scheme to conduct cross trading of FUEG shares back and forth in the market among accounts they and others controlled, including accounts at Brokerages -3, -4, and -5, among others, to create the appearance of market depth and liquidity of FUEG stock to generate interest and momentum in FUEG in order to fraudulently inflate the price of FUEG stock. Specifically at 9:22 a.m. on September 4, 2012, approximately 8 minutes prior to the opening of the stock market, GOLDSHMIDT and PUZAITZER were discussing the then current FEUG stock price prior to the open, "So, it's 30 pre-market, but it's going up [unintelligible]. It's already going at 41." Trading records reveal that FUEG traded between $0.38 and $0.23 at a volume of approximately 601,573 shares on September 4, 2012. Furthermore, trading analysis reveals that FUEG trades on September 4, 2012, reflected some orders in groups of "200, 300, 500, 700" shares, among others. I believe this call shows that GOLDSHMIDT and PUZAITZER and the others were confused about who was conducting which trades of FUEG, and became frustrated that the volume and price were not high enough to achieve the profits they anticipated.

CC-1 Expresses Concern Over Handling of FUEG Promotion Involving Spam Email Blast and Urges GOLDSHMIDT to Dump His Shares

31. On or about Saturday, September 22, 2012, at approximately 1:31 p.m., ALEXANDER GOLDSHMIDT, the defendant, received a call on GOLDSHMIDT Phone-2 from CC-1 using CC-1 Phone-2, during which the following conversation took place, in substance and in part:

CC1: . . . I don't want that thing to get even, coming close to your job.

AG: But, what if I don't sell it.

CC1: It doesn't matter, you don't want to have a single share.

AG: Ok, so we need to figure out what to do with it on Monday [September 24, 2012], right? And I don't know what to do with it on Monday. Did you tell "One" [ALEX PUZAITZER, the defendant] or not? How do you know this?

CC1: Dude, I am getting them all day. No disclosure, nothing. "Trending up, looks like something is going to happen, the market . . . the company is going very fast, read inside, Monday September 24, company Game Face F-U-E-G .27." They put a target of 2.61. "It's my new cool monster pick in the morning. The stock gets accumulated. New bounce play [unintelligible] at night. Noah Polack at yahoo.com." That's one, right? My next one, see this is a fucking retard. No disclaimer, no disclosure, no nothing. This is the shit that fucking almost put [unidentified individual] in jail, and why he didn't come to the States for a long time.

AG: Let me ask you a question, did you tell "One" [PUZAITZER] this? Does "One" [PUZAITZER] know?

CC1: Why? "One" [PUZAITZER] doesn't have any stock.

AG: No, I know [unintelligible].

CC1: This literally gets you locked. First off, not only is it a securities violation, but it is an FTC fucking violation. They used a fucking bot to steal someone else's email address.

AG: I see.

CC1: It's a fucking FTC, SEC everything. I don't want that stock in your account.

AG: Ok, so think about Monday what to do [unintelligible].

CC1: I'll fucking deal with it on Monday.

Based on my review of information publicly available on the Internet, I am aware that several people complained publicly about receiving spam e-mails promoting FUEG on September 24, 2012. I believe that CC-1's reference to a "fucking bot" referred to the computer programs spammers use to send blast emails. Based on my training and experience, I believe that CC-1 was expressing concern that the spam email promotion of FUEG would result in increased scrutiny of FUEG trading that might lead to discovery of their involvement in the "pump and dump" scheme ("your job"). Therefore, CC-1 advises GOLDSHMIDT to distance himself from FUEG stock as soon as possible to avoid detection.

Phase 3 - Participants in the FUEG "pump and dump" Scheme Plan to Extract Profits from Market by Selling FUEG

32. Based upon my review of intercepted communications, I am aware that, on or about September 20, 2012, at approximately 4:52 p.m., ALEX PUZAITZER, the defendant, placed a call from PUZAITZER Phone-1 to EFIM AKSANOV, the defendant, at AKSANOV Phone-1, during which the following conversation took place, in substance and in part:

AP: . . . Have you spoken to [YITZ GROSSMAN, the defendant] about that. . . exit?

EA: I did speak to him, he told me - at 30 cents, he will start selling. And I put a guy on the phone, we've already agreed with him about 30 plus what - at 31, at 32, till - how much from 30 to 40. So if he...

AP: Uh huh.

EA: He has to sell at the minimum - at the minimum, you know, uh - at least, so he gets half back.

AP: Uh huh.

EA: You understand what this means, right?

AP: Yes. Yes.

EA: And then, if everything is fine, we'll see what we're going to do. Also, I have a couple of guys here - we spoke - maybe, you know - but - the main thing to me, like I said, is to do this thing so he leaves me the fuck alone, and to recoup what he thinks...

AP: [OV] He's already left you alone, you can ignore him, because he dropped out of the deal - that's why I did this. And tell [unintelligible]: "Listen, there's [PAUL ORENA, the defendant], you and [ORENA] whatchamacallit, someone there intervened, he gave it back, everything is now out of my control, you owe me money." say it like that, [unintelligible] and that's it. And Sasha [ALEXANDER GOLDSHMIDT, the defendant] will say the same. And he - in peace - one just need to make sure that his money is taken out, so to speak. Firstly, I have to somehow take out my money, the 25 that I put in there in the beginning. Because it's plain craziness with [GROSSMAN], I have an impression that he is screwing everyone over.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, PUZAITZER and AKSANOV are coordinating the selling of the manipulated FUEG stock. Specifically, PUZAITZER asks AKSANOV, "Have you spoken to him about that . . . exit," to which AKSANOV replies that he had spoken to "him" and was told that "at 30 cents, he will start selling." I believe that PUZAITZER was confirming with AKSANOV the exit plan of YITZ GROSSMAN, the defendant, and others in which they would begin selling or "dumping" FUEG stock into the market to unsuspecting buyers. AKSANOV acknowledges that he did speak to "him," believed to refer to GROSSMAN, and confirmed that they would start selling at "30 cents" per share.

33. On or about September 25, 2012, at approximately 10:14 a.m., EFIM AKSANOV, the defendant, placed a call using AKSANOV Phone-1 to STEVE KOIFMAN, the defendant, at a call number ending in 6378 ("KOIFMAN Phone-1").[17] During that call, the following conversation, in substance and in part, took place.

SK: What's going on with ahhh FU [FUEG]? [UM1, a stock promoter] is ahh done today I see? Shit traded like 20,000 only.

EA: Yeah, you want to know why? Because those idiots - it was 28 cents in the morning they opened at 30 and someone bought 15,000 shares or 10,000 and it jumps to 31.[18] I don't understand these - but I told him go there fór 50 - 100 thousand shares at 29, you know, and then go to 30 - 50 [thousand] - you know go, you know every penny's, you know, [UI]. It's like dealing with knuckleheads, I swear that's why I...

SK: What's wrong with them? I don't understand literally like what's wrong with them? I don't....

EA: Steve, you want to know what's wrong with them? People are idiots, the guy said like this: unless this if this stock goes lower than 28 cents he's not selling one share. So you know what that means...

SK: See this is the problem dealing with him, this is the problem dealing with him bro [ov]

EA: Yeah, and that's the problem because if that wasn't a problem yesterday we would have made a lot of money.

SK: So you're trying to tell me we made no money yesterday, I paid this fucking $60,000 worth or whatever and made no money yesterday?

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[17] Based on subscriber information, KOIFMAN Phone-1 is subscribed in the name of KOIFMAN.
[18] Based on a review of trading data I have learned that on September 25, 2012, FEUG traded between .25 and .31, and opened at .30

EA: No he sold a 120,000 shares. Can I get....[ui] knows.

SK: After - after what needs to be paid for this thing, we're completely [ui] out.

EA: No I'm making cause no ahhh I cut a deal with him: I am only paying him 18 kopecks. And we - I told him 25, so that me and you make seven percent on top of that that [UM-1] has to give us back. Do you understand where I'm coming from?

SK: Yeah, but let's see if he even sends money for...

EA: He will send it - I told him, he's going to send money to him right now...he's ready, that's them calling me right now back anyway, let me call you back, [UM-1] is calling me, let me call you right back.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, AKSANOV and KOIFMAN were discussing the trading price and volume in FUEG that day and their frustration with a third party - UM-1 - who had not executed trades on their behalf. KOIFMAN expressed frustration that he had invested $60,000 into what is believed to be the FUEG promotion but not made money.

34. On or about September 28, 2012, at approximately 6:12 p.m., EFIM AKSANOV, the defendant, placed a call using AKSANOV Phone-1 to STEVE KOIFMAN, the defendant, at KOIFMAN Phone-1. During that call, the following conversation, in substance and in part, took place.

SK: What's the story did you talk to this fucking jerk off?

EA: Who?

SK: What do you mean who? Your fucking Jew [YITZ GROSSMAN, the defendant].

EA: Yeah, I spoke to him.

SK: And?

EA: And?

SK: Yo, bro why am I pulling teeth from you? You told me you were going to call him talk to him about numbers and this that and the other so what's going on?

EA: I did talk to him about the numbers. Numbers aren't that good Steve...out of the whole week he sold 150,000 shares. Alright? That's the fucking number bro. Out of fucking 600,000 shares. Alright? So ahhh that's what he sold ahhh, I don't know what the fuck is going on, but yesterday the only thing that I didn't understand that whatever was bought throughout the day all sold at the end, it looks like he turned that you know [UM-1] did a maneuver on that somehow someway.

SK: [UM-1] didn't do a maneuver, these guys sold stock, no one did a maneuver bro, but anyways so.

EA: But he didn't sell it. So that's the point, you know.

SK: I'm not following: what's the point? What are the numbers? What's our end?

EA: The point is [ui] he sold basically x amount 40 something dollars worth of stock. Ok? [UM-1] is getting paid whatever he is, we have a little piece there, and the balance - whatever is there - goes into a pot. Ok? And once the pot accumulates, people are going to start reimbursing whatever they're owed [ov].

SK: Why do we have to wait for the pot to get accumulated, why can't he just pay whatever he owes?

EA: Because that, that's what it is because the stock not just me and you it's him, it's me and you, it's this guy Paul [ORENA, the defendant], it's this guy Alex [PUZAITZER, the defendant], and the other fucking Alex [GOLDSDHMIDT, the defendant] because everyone already put money in. People are holding shares bro. They sit with him at his office every day, and instead of them selling the shit and you know for all the things they've been buying, he cut a deal with them that everybody is in one pot and whatever the expenses are gets paid out of that one pot and then the balance grows until everyone has enough money to pull their money out. What am I going to say, for every all of them agreed and I'm going to say 'no, me and Steve don't agree'? He's going to say: "Ok, guys" - he's going to say: "guys, then go fuck yourselves."

SK: What do you mean, 'go fuck yourselves'? You're the guy that's fucking making this shit happen! Jeff I don't understand bro!

EA: Yitz [GROSSMAN]...Steve...he doesn't...what's happening and how it's playing out - you don't understand that these people that are sitting in his office...between me and you, they didn't give him everything on the side, they're quietly selling and telling him all this bullshit. That's what I believe is going on at the end of the day they're telling him to stop it, that they don't want this, that this is going to end up being a headache, that they have their people ready to go in. They're telling him on purpose, for the shit to go down, for them to re-buy to cover all the shit that they've been selling right now. I'm not a stupid guy....

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that this conversation relates to the FUEG stock manipulation in which AKSANOV and KOIFMAN are involved with GROSSMAN, PUZAITZER, GOLDSDMIDT and ORENA. KOIFMAN is expressing frustration with GROSSMAN, with whom AKSANOV has the contact and relationship, due to KOIFMAN's belief that AKSANOV is handling most of the responsibility - "making the shit happen" - behind the FUEG market manipulation.

35. On or about February 26, 2013, at approximately 3:44 p.m., ALEX PUZAITZER ("AP") received an incoming call on a call number ending in 3516 ("PUZAITZER Phone-4")[19] from MICHAEL VAX ("MV") using a call number ending in 7969 ("VAX Phone-1").[20] During that call, the following conversation, in substance and in part, took place. VAX discussed a stock sale that was not going very well. VAX stated that his stocks were "brought down to 12 cents" and he thinks that someone is doing this on purpose. VAX stated that "probably this is this fucking [unnamed broker-dealer]. They have no real explanation for what is going on in the market." PUZAITZER stated that it looks like some people want "to bring [the] market down." VAX stated that these people don't care about the market they are after money only - "if they could make 13 thousand they are happy." VAX is

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[19] Based on my review of CC-1 Phone-2, the number for PUZAITZER Phone-4 is a labeled as "1" in CC-1 Phone-2.
[20] Based on intercepted calls, VAX has been identified or identified himself when using VAX Phone-1.

angry and upset and will try to fix this situation. Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that this conversation relates to the market manipulation of the stock of FUEG. Here VAX is upset that the price has gone down (brought down to 12 cents")[21] based on actions he was not aware of and that have compromised his ability to sell the stock at a higher price.

CC-1 FUEG Trading Records for Marjorie Group

36. Based on my review of trading records for Marjorie Group, I am aware that CC-1, through one of CC-1's brokerage accounts maintained through Marjorie Group, engaged in the following transactions in FUEG stock:

DATE	TRANSACTION	NUMBER OF SHARES	SHARE PRICE
5/1/12	Transfer In	2,000,000	N/A
5/1/12	Transfer In	448,254	N/A
7/6/12	Buy	5,000	$0.19
7/6/12	Buy	5,000	$0.18
7/6/12	Buy	5,000	$0.19
7/9/12	Buy	14,312	$0.1877
7/12/12	Buy	20,000	$0.2325
7/18/12	Buy	2,500	$0.272
7/19/12	Buy	10,500	$0.28
7/20/12	Buy	15,000	$0.26
7/23/12	Buy	7,500	$0.25334
7/25/12	Buy	5,000	$0.22
8/16/12	Transfer Out	2,000,000	N/A
8/23/12	Transfer Out	538,066	N/A

37. Based on my review of trading records for FUEG shares, I am aware that CC-1, in CC-1's own name, sold 8,500 shares of FUEG for $0.20 per share on July 25, 2012.

[21] Based on a review of trading records I have learned that FUEG traded between .12 and .20 on February 26, 2013, and closing at .18.

38. Based on my review of trading records for a brokerage account of Dolton, I am aware that ALEXANDER GOLDSHMIDT, the defendant, through Dolton, engaged in the following transactions in FUEG stock:

DATE	TRANSACTION	NUMBER OF SHARES	SHARE PRICE
8/16/12	Transfer In (from Marjorie Group)	2,000,000	N/A
8/23/12	Transfer In (from Marjorie Group)	538,066	N/A
8/23/12	Transfer Out	538,066	N/A

The Extortion of CC-1 by the Defendants

39. CC-1, as set forth below, is the victim of an extortion conspiracy being perpetrated by ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, who are seeking the return of FUEG shares, in connection with a failed FUEG stock promotion, and a planned stock promotion in FUEG which did not take place. GOLDSHMIDT, PUZAITZER, VAX, ORENA, GROSSMAN, AKSANOV, KOIFMAN and VAX, as set forth below, have threated harm to CC-1, CC-1's family, CC-1's business and reputation, and the business and reputation of CC-1's father, a physician.

40. During debriefings of CC-1, I have learned that:

a. In or about February or March 2012, CC-1 received a telephone call from EFIM AKSANOV, the defendant, during which call AKSANOV advised that AKSANOV was representing the interests of YITZ GROSSMAN, the defendant, and was traveling to New York to meet with CC-1 regarding Face Up Entertainment Group, which at that time traded under the stock symbol IKCC. CC-1 advised ALEX PUZAITZER and ALEXANDER GOLDSHMIDT, the defendants, about the call; GOLDSHMIDT told CC-1 that he knows AKSANOV well and gave CC-1 approval to meet with AKSANOV. CC-1 subsequently met with AKSANOV and GOLDSHMIDT at CC-1's office in New York, New York. During that meeting, AKSANOV advised CC-1 that GROSSMAN wanted CC-1 to return 1,000,000 shares of IKCC to PUZAITZER. CC-1 reported that CC-1 only had 440,000 IKCC shares left; AKSANOV stated that CC-1 would have to come up with the balance of the shares.

b. In or about the summer of 2012, GOLDSHMIDT stated, in sum and substance, to CC-1 that STEVE KOIFMAN, the defendant, was a "big guy" who had beaten up people in the past, and had been arrested for assault. CC-1 understood KOIFMAN to be AKSANOV's partner.

c. In or about the summer of 2012, GOLDSHMIDT, PUZAITZER, AKSANOV and KOIFMAN met with CC-1 in New York, New York and AKSANOV and KOIFMAN demanded $350,000, return of FUEG shares, and that CC-1 conduct trading in FUEG. These demands were made in the presence of GOLDSHMIDT and PUZAITZER. Specifically, AKSANOV threated CC-1 stating that AKSANOV would "put slugs into" the chest of CC-1 unless CC-1 met AKSANOV's demands. AKSANOV further stated that if CC-1 did not comply with AKSANOV's demands, AKSANOV and KOIFMAN were going to "call Moscow." After the meeting, PUZAITZER advised CC-1 that CC-1 did not want AKSANOV calling Moscow, that it would "not be a good thing" if that call were made. GOLDSHMIDT stated to CC-1 that CC-1 was lucky that KOIFMAN did not punch CC-1.

41. On or about July 27, 2012, at approximately 6:35 p.m., ALEXANDER GOLDSHMIDT, the defendant, received a call on GOLDSHMIDT Phone-1 from EFIM AKSANOV, the defendant, using AKSANOV Phone-1. During that call, the following conversation, in sum and substance, took place in which AKSANOV complained that CC-1 had not yet come up with any money as requested.

EA: How do we, uh, figure out this situation with [CC-1]? Because it's kinda fucked up that STEVE [KOIFMAN, the defendant] was sitting there with me and the kid [CC-1] said that he [CC-1] sent this much money, it never came in, he [CC-1] said he was going to do something. The kid [KOIFMAN] feels like he [CC-1] lied to him [KOIFMAN] in his face and he's . . . it's one thing if the kid [CC-1] came through with the 50, [CC-1] is working on this, [CC-1] is trying to do that, it's, uh, you know, it's one thing, you know where it comes out . . . where everyone is even. You know what I'm trying to say, Sash? Everybody wants to be on that same page. So he [KOIFMAN] feels that this kid [CC-1], you know he wasted a trip, he [CC-1] came down there. [CC-1] told him [KOIFMAN] something, [CC-1] purely lied to [KOIFMAN] in his face, in the diner and, you know

AG: Let him, let him [CC-1] pay us back and then let him [KOIFMAN] fuckin' crack him [CC-1], don't, don't crack him before we get the money, bro. Don't do anything before we get the money.

EA: Ok.

42. On or about July 30, 2012, at approximately 1:14 p.m., ALEXANDER GOLDSHMIDT, the defendant, placed an outgoing call on GOLDSHMIDT Phone-1, to EFIM AKSANOV, the defendant, at AKSANOV Phone-1. During that call, the following conversation, in sum and substance, took place. AKSANOV stated that another person, based on other intercepted calls, believed to be STEVE KOIFMAN, the defendant, wanted to fly in and see CC-1. GOLDSHMIDT asked whether they could resolve things before "he" flew in. AKSANOV responded that nothing is resolved because CC-1 "did not give a dollar."

43. On or about September 21, 2012, at approximately 4:32 p.m., EFIM AKSANOV, the defendant, using AKSANOV Phone-1, placed a call to STEVE KOIFMAN, the defendant at KOIFMAN Phone-1. During that call, the following conversation, in substance and in part, took place.

SK: Whoah, whoah, whoah, I'm talking about when I was in New York bro, what are you saying, I was in New York, we went to the diner with these fucking retards the next day you went to Brooklyn with your wife or something you went to Brooklyn, ok by yourself, and you met up with AP [ALEXANDER GOLDSHMIDT, the defendant] and all of a sudden you fucking gave him some leeway, you told them we wanted this shit to fucking come back by Friday whatever the case was and you did and you cut some new deal with them and you say no, no they're going to need to do something on Monday, we'll give them one more chance, blah, blah, stop it. This was when I was in New York. Don't fucking [ui] c'mon [ui] whatever.

EA: You see them, we gave them another chance and it didn't happen well in two weeks we gotta come there [ov] we gotta Come, there we gotta come there.

SK: The bottom line is they figured ahh they're giving me another chance after you talked [ui] the kind of shit you talk and then you give them another chance and you fucker go fuck yourself.

EA: So listen we're going to go there in two weeks and break his [CC-1] head open what can I say.

SK: That's fine, let's go, let's go.

EA: There's no other choice here.

SK: I'm ready to go tomorrow, I'm ready to go tomorrow. I'm not joking I'm ready to go tomorrow. I'm in such a...I'm in such a dire straits bro, I mean it's just like a ridiculous already it's crazy

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that this conversation relates to the meeting held in the summer of 2102 in New York – "the diner" – between CC-1 and AKSANOV, KOIFMAN, PUZAITZER, and ALEXANDER GOLDSHMIDT, the defendants. I further believe that in this call, KOIFMAN was expressing frustration that CC-1 has not acted as promised and KOIFMAN and AKSANOV are now ready to "break [CC-1's] head."

44. On or about December 28, 2012, at approximately 2:54 p.m., ALEX PUZAITZER, the defendant, received a call on PUZAITZER Phone-4 from PAUL ORENA, the defendant, using ORENA Phone-1. During that call, the following conversation, in substance and in part, took place.

PO: When is this kid [CC-1] back, cause I gotta see him, cause I got some more, more information on him.

AP: [ov] He's coming back on Sunday.

PO: Ok, so I think I'm going to go up, if he's in the office Monday, just want to make sure he's up there, I'm going to go I gotta straighten him out because he's trying to manipulate you know I know what he what he said to [UM-2] because [UM-2] ran to my brother to basically apologize that he fucked up and this and that he told him all this shit from [CC-1] and what's going on so [CC-1] you played him, tried to manipulate, but know I'm going just straighten the kid out so, I'm going to go up you and you know he's going to have to deliver what he agreed to with me, so I'm not going to stand for any bullshit from this fucking kid.

AP: Yeah, absolutely.

PO: You know what I'll just smack him around the fucking office worst case.

AP: One, one thing I know as I told you before that whatever you have whatever we could get Two [ALEXANDER GOLDSHMIDT, the defendant] and I [ov].

PO: Comes to us, yeah, it's us, but why should he, why should he get more you know what I mean, he's he's ahhh you know I've had enough of his shit you know if he wants to go to the cops on me [ov] after I smack him [ov].

AP: He wants to use our credit, and to tell you the truth and the amount of credit we have is $230,000 right?

PO: Yeah.

AP: So I don't know what it will bring, but.

PO: Yeah.

AP: But [ui] money has to be taken from the top because if everybody goes out at our expense the money has to be taken out.

PO: Yeah.

45. On or about January 10, 2013 at approximately 4:28 p.m. ALEX PUZAITZER (AP), the defendant, placed a call on PUZAITZER Phone-4 to PAUL ORENA (PO), the defendant, on ORENA Phone-1. During that call, the following conversation, in substance and in part, took place:

AP: You know discussing other shit also that is going on, [CC-1], I keep yelling at [CC-1]

PO: Yeah .

AP: It doesn't do any good.

PO: I sat out while you were away, it last Thursday, I sat outside his [CC-1's] office for like a half hour, I had some time to kill before another meeting, think I would get him smoking a cigarette he must have extended his trip , that's what [Individual-1] told me. So ah, I came back a day or two after.

AP: Yeah he came back last Thursday because he just

PO: Yeah

AP: Tuesday

PO: Yeah I think I was there Wednesday or something whatever day it was I spoke to [Individual-1], he said no no no, [CC-1] extended his trip [CC-1] is coming back the day. So I was trying to see if he was in the office but ah, other than that that's really it. You know, like I said, I did some really other good things too I wanted to bring you up to speed with.

Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, PUZAITZER and ORENA were discussing the fact that ORENA planned on waiting outside the office of CC-1 on or about December 31, 2012, hoping to see CC-1, and then waited outside the office of CC-1 in or around January 4, 2013. I believe that ORENA was doing so in an attempted effort to intimidate CC-1.

46. On or about February 25, 2013, at approximately 7:01 p.m., ALEX PUZAITZER, the defendant, using PUZAITZER Phone-4 placed a call to ALEXANDER GOLDSHMIDT, the defendant, at a call number ending in 1956 ("GOLDSHMIDT Phone-3")[22]. During that call, the following conversation, in substance and in part, took place:

AP: I think [CC-1] has to get a tiny slap in the face.

AG: [Laughs] I can do it in a nice way. We have to decide what day we meet with him and then we'll have to spare the entire day on that.

During this portion of the call, PUZAITZER and GOLDSHMIDT further agreed to talk about "it" the following day, February 26, 2013. GOLDSHMIDT promised to bring "all the witnesses" for the meeting. PUZAITZER offered to make it a surprise for "him", CC-1. GOLDSHMIDT stated that he still did not understand where his initial investment - "2200" - went. GOLDSHMIDT stated that he intended to ask CC-1 to show them the proof of all transactions - the "spreadsheet." GOLDSHMIDT and PUZAITZER agreed that that CC-1 is a thief and decided to get in touch the

[22] Review of information contained in CC-1 Phone-2 reveals that CC-1 Phone-2 has the number for GOLDSHMIDT Phone-3 listed as "2", a reference to GOLDSHMIDT.

following day. Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, GOLDSHMIDT and PUZAITZER were expressing their frustration with CC-1, wanting to see records of trading, and that they planned to surprise CC-1 at a meeting with other individuals CC-1 was not told would be present.

The call continued:

AP: That retard [CC-1] is not calling me today at all.

AG: Retard? Why would he call you? What would he say to you?

AP: There is nothing more to say, he [CC-1] doesn't have the spreadsheet. He doesn't have the spreadsheet, he doesn't have anything to say anyway, he is making up a story about his sister being in labor, and so on. Vasya, he has to - he needs to be slapped around a little.

AG: [laughs]

AP: You get it? Because I don't know - as they say, it needs to be [IA], definitely when I fucking see him.

AG: [laughs]

AP: You get it?

AG: No, I - I will do it to him beautifully. We - you - and - you - we just need to figure out when we're meeting him...

AP: Mmm.

AG: Yeah. And... we need to free up the whole day for this. The whole day.

AP: Free up what?

AG: We need to be free all that day.

AP: Uh huh?

AG: The whole day.

47. On or about February 26, 2013, at approximately 10:14 a.m., ALEX PUZAITZER, the defendant, using PUZAITZER Phone-4 received a call from PAUL ORENA, the defendant, using ORENA Phone-1. During that call, the following conversation, in substance and in part, took place. ORENA relayed a conversation another person (UM-1) had with CC-1. CC-1 called UM-1 the day prior and said CC-1 had to sit with "the Russians" for two hours yesterday. CC-1 stated to UM-1 that they ["the Russians"] were "abusing" him and "shaking" him down for "this deal." CC-1 stated that they went to his apartment and "took his cell phone away." ORENA stated that "why we really we figure out a game plan we gotta sit down and take [the] right approach with this kid [CC-1]." ORENA stated that CC-1 may end up killing himself. PUZAITZER disagreed and stated that he thought CC-1 would attempt to "find a way out and [CC-1]'s not going to pay." ORENA and PUZAITZER then discussed others calling a meeting with CC-1 at which PUZAITZER and others would show up. ORENA stated that he was seeing YITZ GROSSMAN, the defendant, at 1:00 p.m. that day. Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, PUZAITZER and ORENA were discussing CC-1 being threatened by others – "the Russians" – and that CC-1 would "figure a way out." ORENA and PUZAITZER also planned to have a meeting with CC-1 to which they would bring others unbeknownst to CC-1, which I believe was being done to intimidate CC-1.

48. On or about March 5, 2013, at approximately 9:34 a.m., ALEX PUZAITZER, the defendant, received a call on PUZAITZER Phone-4 from ALEXANDER GOLDSHMIDT, the defendant, using GOLDSHMIDT Phone-3. During that call, the following conversation, in substance and in part, took place. GOLDSHMIDT and PUZAITZER discussed how they planned to confront CC-1 later that day. PUZAITZER stated that he was planning to tell CC-1, "You see, this way it will be completely... what you take into your hands. So you have a fucking choice: either you have a very down-and-out, miserable life or you must now find the solution somehow. No one is going to touch you, but you will be a fucking pauper." GOLDSHMIDT stated that he was still waiting for an envelope that CC-1 said was in the mail. PUZAITZER stated that they should confront CC-1 later today about everything that was allegedly sent and never reached anybody. PUZAITZER stated "this all needs to be explained [to CC-1]: 'All this shit is no good, there will be on more conversations, we're not asking you, we're telling you. And we're telling you that everything that we've invested with you, all the companies - you don't get a say - credits, IKCC, all that shit.'" GOLDSHMIDT stated that he has a

bill for CC-1 for $1,000,000. PUZAITZER stated, "Right, including Yitz [GROSSMAN, the defendant]." PUZAITZER stated that he also plans to introduce Misha [MICHAEL VAX, the defendant] as CC-1's new contact, planning to tell CC-1 "here's Misha [VAX]- here's Misha, your new partner, in all your entrepreneurial efforts . . . communicate with him." Based on my training and experience, familiarity with this investigation, and review of other intercepted communications, I believe that, in this conversation, PUZAITZER and GOLDSHMIDT were discussing their plans to meet with CC-1 later that day at which they planned to get $1,000,000 owed to themselves and GROSSMAN. I further believe that VAX was being brought to the meeting to exert influence over CC-1.

49. On or about March 5, 2013, at approximately 4:05 p.m., law enforcement agents conducted surveillance at the Setai Hotel, located in New York. From inside the hotel, one agent observed five men engaged in a conversation related to stocks. The agent recognized CC-1, and ALEX PUZAITZER, and ALEXANDER GOLDSHMIDT, the defendants. The agent recorded a portion of this meeting. The agent described an individual, later identified as MICHAEL VAX, the defendant, who the agent heard asking CC-1 "do you know who I am? Do you know who I am?"

50. Based on a debriefing of CC-1 regarding the March 5, 2013 meeting, I have learned the following:

a. CC-1 met with PAUL ORENA, ALEX PUZAITZER, ALEXANDER GOLDSHMIDT and MICHAEL VAX, the defendants, at the Setai Hotel in New York, New York.

b. ORENA, PUZAITZER, GOLDSHMIDT and VAX advised CC-1 to "return the shares," which CC-1 understood to be the approximately 374,000 FUEG shares CC-1 owned.

c. CC-1 stated that these shares related to a failed promotion of FUEG stock, and another planned promotion that did not occur.

d. PUZAITZER stated that CC-1's "life was going to take its course" and that CC-1 had to worry about his "two little children."

e. ORENA, PUZAITZER, GOLDSHMIDT and VAX made clear that CC-1 would deal with VAX going forward.

f. CC-1 has stated that CC-1 is afraid of MICHAEL VAX, the defendant.

51. On or about March 5, 2013 at approximately 6:09 p.m., ALEX PUZAITZER, the defendant, while using PUZAITZER PHONE-4 to speak to ALEXANDER GOLDSHMIDT, the defendant, received a call on another telephone, one side of which was overheard. During that call, the following conversation, in substance and in part, took place. PUZAITZER advised CC-1 (referring to CC-1 by first name) to admit that he screwed up and stated that PUZAITZER should not even be speaking with CC-1. PUZAITZER stated "Given that you are in this mess and your head is going to explode and a lot of people would like to fucking burn you and kill you and whatever." PUZAITZER advised that there is a way for CC-1 to get out of this "situation" with the help of PUZAITZER and MICHAEL VAX, the defendant. PUZAITZER stated that Paul [ORENA, the defendant] will "understand" too but that everyone needs to be compensated. PUZAITZER advised CC-1 to "lay it all out" for VAX and if CC-1 is honest, VAX will help.

52. Based on a debriefing of CC-1, I learned that on or about March 6, 2013, CC-1 met with PAUL ORENA and MICHAEL VAX, the defendants, at CC-1's office in New York, New York. VAX and ORENA demanded 374,000 FUEG shares. During that meeting, VAX and ORENA demanded that CC-1 pay $100,000 in addition to returning the shares, and stated that if CC-1 did so, all CC-1's "problems would go away." VAX demanded a list of all of CC-1's current deals so that VAX could review them and tell CC-1 which deals CC-1 could skim profit from to enable CC-1 to pay the money demanded.

53. On or about March 18, 2013, at approximately 8:00 a.m., CC-1 met with MICHAEL VAX and PAUL ORENA, the defendants, at a diner located on West 38th Street in New York, New York. Prior to that meeting, CC-1 was equipped with a recording device. Based on that recording, I have learned that the following conversation, in substance and in part, took place. VAX stated to CC-1 "you're going to give me 374 [shares] today," and if not, CC-1 would "deal with them" himself, and VAX would go to Yitz [GROSSMAN, the defendant]. VAX stated that if CC-1 wanted to "deal with them this way," CC-1 would be "arrested in a couple of days. [VAX had] been there before." ORENA then conveyed that another individual had made an appointment to see CC-1's father. CC-1 asked ORENA to cancel that meeting because CC-1's father was "off limits." ORENA stated that "these guys are fucking real," and "easier for [ORENA] to control," but "a guy like Yitz [GROSSMAN] is a lot harder for ORENA to control

because [YITZ] listens for a day or two." ORENA then stated that "One" - ALEX PUZAITZER, the defendant - had made the appointment with CC-1's father. Based on my training and experience, familiarity with this investigation, debriefing of CC-1, and review of intercepted communications, I believe that, in this conversation, VAX was exerting pressure on CC-1 by stating that if CC-1 did not do what VAX asked, CC-1 would have to deal with more dangerous individuals - "them." ORENA also intimated that GROSSMAN was unlikely to listen to ORENA and VAX on CC-1's behalf for much longer. I further believe that ORENA and VAX were making clear the GROSSMAN was directing their actions in seeking the shares and money from CC-1. CC-1's father is a doctor.

54. During an intercepted call on or about March 13, 2013, at approximately 6:09 p.m., ALEX PUZAITZER, the defendant, using PUZAITZER Phone-4, discussed with PAUL ORENA, the defendant, the fact that PUZAITZER made an appointment at the office of CC-1's father. The following conversation, in substance and in part, took place. PUZAITZER was relaying to ORENA what should be said to CC-1.

AP: ...so know you have an issue with One [PUZAITZER], and besides the point now listen to this, One [PUZAITZER] wants to go see your father. As a matter of a fact he made an appointment.

PO: [laughter]. Yeah.

AP: He made an appointment.

PO: Yeah.

AP: You can check with the secretary.

PO: Hmmm

AP: He made an appointment to go and see you father, he's fuming. He wants to have a friendly conversation, friendly conversation with your dad and then he wants to have a friendly conversation with your wife.

PO: Yeah, and I think that's smart and what I said to Yitz [GROSSMAN, the defendant] just so I don't forget, is I told him I said listen I said is I hope you understand and appreciate that we were here for no other intention other than to make things right, the whole group, meaning me, Mike [VAX], and Alex, ok, meaning Two [GOLDSHMIDT], 'cause you're, he [CC-1] doesn't know, know you're really involved in the day to day.

AP: Right.

PO: Ummm, I said, so if you and go do your own thing because you seem to not listen to well...hmmm, I said you have to protect us as well. He [GROSSMAN] goes, 'it would be my pleasure, I wish you guys would let me do it.' He goes, 'I would love to protect everybody.'

AP: Hmmm.

PO: So, I said listen it's about getting money back, that we have a loss and going over everything and have transparency and no one is looking to make money on you, no one is looking to do anything other than collect what this kid stole and make no one got hurt for money, I said that's really what it boils down to, so he [GROSSMAN] said 'I will do anything if these guys ask me to do to protect.' He goes, 'I don't want to see this kid [CC-1] get away with one extra dollar.' He says to me, 'he's a Madoff....jr.'

55. On or about March 19, 2013, at approximately 10:12 a.m., CC-1 received a call on a call number ending in 3517 ("CC-1 Phone-4")[23] from MICHAEL VAX, the defendant, on a call number ending in 4500 ("VAX Phone-2").[24] That call was recorded. VAX stated that he had to go see YITZ GROSSMAN, the defendant, before meeting CC-1. VAX further that "we'll meet before, before your departure. It's important and that's why I went to see Yitz before I see you."

56. On or about March 20, 2013, at approximately 10:00 a.m., CC-1 met with MICHAEL VAX, the defendant, at the Algonquin Hotel, in New York, New York. Prior to that meeting, CC-1 was equipped with a recording device. Based on that recording, I have learned that the following conversation, in substance and in part, took place. VAX stated that others were going to see CC-1's father and tell him that CC-1 was a "thief" and that CC-1's father can "lose his license." VAX further stated that "Alex" would "have to testify against [CC-1]. Otherwise [ALEX]

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[23] CC-1 has reported to law enforcement that CC-1 uses CC-1 Phone-4.

[24] VAX Phone-2 is subscribed to "Marina Vax," with "MICHAEL" listed as the contact on the account.

is in a conspiracy to commit fraud." VAX continued that "you're going to be on bail. You're not going to be able, if you get on bail, you're not going to be able to move. You're going to have a hundred people come to the court, testify against you," "people don't like you too much." CC-1 asked VAX "did you hear that they are gonna do something harmful to me?", to which VAX responded "yes," that they would hurt CC-1 "legally." VAX further explained that as to CC-1's father, they were going to damage his medical practice. VAX stated that "Alex and Alex [GOLDSHMIDT and PUZAITZER, the defendants] think that they, that you [CC-1] owe them." VAX stated that others involved in the stock deal would testify against CC-1 and then if the loss was "over a million dollars total, mind you, the minimum is 60 months." VAX explained that based on his own experience in serving prison time[25] that CC-1's relationship with his family would suffer. VAX promised CC-1 that he would "deal on [CC-1's] Dad. And [] deal on Yitz [GROSSMAN]."

57. On or about March 20, 2013, at approximately 1:08 p.m., CC-1 placed a call from CC-1 Phone-2 to PAUL ORENA, the defendant, at ORENA Phone-1. That call was recorded. During that call, the following conversation, in substance and in part took place. ORENA stated that as to visiting CC-1's parents, ORENA "told everybody to hold off." ORENA stated that VAX had gone to see YITZ GROSSMAN, the defendant, because VAX was "literally, [] really trying to help [CC-1], and that GROSSMAN was "listening to" VAX. ORENA stated that "the Yitz issue is the main issue," that "Yitz is the type of guy who wants to have justice, in whatever way shape or form." When CC-1 complained about deadlines being imposed on CC-1, ORENA stated "but the problem is, it's not Mike [VAX]'s pressure, its Yitz's pressure to Mike. I sat with them both yesterday and Yitz basically told him, 'If I don't see any results... then i have to go forward.. I have all the pieces together, I want to fry and sauté every one of them, including 2 [ALEXANDER GOLDSHMIDT, the defendant].' Mike is just buying time to deliver something to this guy so he has a month."

[25] Based on a review of criminal history reports, I learned that on or about April 20, 1995, MICHAEL VAX, the defendant, was convicted of Conspiracy to Engage in Racketeering, and sentenced to a term of 41 months' imprisonment.

WHEREFORE, deponent asks that a warrant be issued for the arrest of ALEXANDER GOLDSHMIDT, ALEX PUZAITZER, MICHAEL VAX, PAUL ORENA, YITZ GROSSMAN, EFIM AKSANOV, and STEVE KOIFMAN, the defendants, and that they be imprisoned, or bailed, as the case may be.

THOMAS ZUKAUSKAS
Special Agent
Federal Bureau of Investigation

Sworn to before me this
28 day of March, 2013.

S/ Henry Pitman
THE HONORABLE HENRY B. PITMAN
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK

EXHIBIT FF

(Sanswire names Thomas Seifert as Chief Financial Officer)

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June 05, 2009 09:00 ET

Sanswire Names Thomas Seifert as Chief Financial Officer

Company Consultant Brings Over a Decade of Financial Management Experience to Position

FORT LAUDERDALE, FL--(Marketwire - June 5, 2009) - Sanswire Corp. (PINKSHEETS: SNSR) (www.sanswire.com), ("Sanswire" or the "Company"), a company that develops and produces Lighter than Air Unmanned Aerial Vehicles (UAV) designed to provide persistent surveillance for extended durations at mid and high altitudes, has named Thomas Seifert as the Company's Chief Financial Officer, effective June 1, 2009.

Mr. Seifert has served as a consultant to the company since April 2007 and has more than thirteen years of experience in financial management. Prior to Sanswire, Mr. Seifert served 5 years as CFO of a public telecommunications company. He has raised several million dollars from various investors over the past six years and has vast experience in mergers and acquisitions. In addition, Mr. Seifert has been involved in transactions with Intervoice-Brite (INTV) and the Mark Travel Corporation, a subsidiary of United Airlines and United Vacations. Past positions include CFO of 2Sendit.com, Controller for Integrated Telephony Products, and Controller for Mountain Vacations.

"Since Thomas became a consultant to Sanswire in 2007, he has been an integral part of our efforts to bring the Company up-to-date in its fiscal filings," said Jonathan Leinwand, CEO of Sanswire. "He has been focused on rectifying Sanswire's previous issues and ensuring that we become current in our reporting requirements with the Commission so that we can begin to concentrate our efforts on our next stages of growth and development. We are thrilled to have Thomas become part of our core management team and we are fortunate to have such an experienced and well-respected professional as part of Sanswire."

"I am very excited to come on board in this capacity," said Thomas Seifert. "This is an auspicious time for Sanswire, as we move closer to flight testing the STS-111. During my time as a consultant with the Company, we were able to accomplish a tremendous amount. Sanswire has now reached a point where we have a firm corporate structure in place and can more readily focus on operations and continued testing of our products as we move towards production. I look forward to taking on this new role with Sanswire and am fully committed to ensuring the sound corporate governance of the Company."

About Sanswire Corp.

Sanswire Corp. (PINKSHEETS: SNSR) develops and provides an integrated suite of aerospace communications products and services, leveraging its relationships with leaders in UAV (Unmanned Aerial Vehicle) technologies. Sanswire Corp. is focused on the design and construction of various aerial vehicles, capable of carrying payloads that provide persistent surveillance and security solutions at various altitudes. For more information, visit www.sanswire.com.

Forward-Looking Statements

Certain statements in this release constitute forward-looking statements or statements which may be deemed or construed to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "forecast," "project," "intend,"

ADDITIONAL LINKS AND TAGS

Technorati Keywords:
unmanned aerial vehicles Sanswire

"expect," "should," "would," and similar expressions and all statements, which are not historical facts, are intended to identify forward-looking statements. These forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors, any of which could cause the Company's previously reported actual results, performance (finance or operating) to change or differ from future results, performance (financing and operating) or achievements, including those expressed or implied by such forward-looking statements. The Company assumes no, and hereby disclaims any, obligation to update the forward-looking statements contained in this press release.

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